

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: April 28, 2021 **Approx. Start Time:** 10:00 am **Approx. Length:** 2 hours

Presentation Title: Land Use Housing Strategies Project

Department: Transportation & Development (DTD), Planning & Zoning Division

Presenters: Jennifer Hughes, Planning Director; Karen Buehrig, Long-Range Planning Manager; Martha Fritzie, Principal Planner

Other Invitees: Dan Johnson, Director of DTD; Cheryl Bell, Assistant Director of Development, DTD; Joy Fields, Senior Planner; Ellen Rogalin, Community Relations Specialist, PGA; Chris Storey, Assistant Director WES

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

This two-hour Planning Session is divided into three parts, with different actions requested for each part, as follows:

Part A. Overview. This part is informational, with the opportunity for the Board to weigh in on the optional strategies in the Land Use Housing Strategies project, as well as the timing for the strategies.

Part B. Phase 1 Strategies. For this part, staff requests direction from the Board about whether to proceed to the public hearings process to consider code amendments related to three of the Phase 1 strategies.

Part C. Phase 2 Strategies. While this part is primarily informational because two of the three strategies are required by state law, staff is seeking Board input about the preliminary public engagement plan and overall timing of work.

EXECUTIVE SUMMARY

This Planning Session will be divided into three distinct parts. Each part will contain a short staff presentation, followed by time for the Board to ask questions and discuss the topic(s) under consideration. Options and staff recommendations specific to each part are included in each of the three summary sections below.

Part A: Overview of the Land Use Housing Strategies project (Presentation Time: 10 minutes)

The Land Use Housing Strategies project is a multi-phased study to consider amendments to the county's Zoning & Development Ordinance (ZDO) to help alleviate the shortage of housing, particularly affordable housing, in unincorporated Clackamas County. Collectively, the amendments would provide more residential development opportunities for property owners throughout most of the urban unincorporated area.

The project was developed in response to several actions at the county and state level between 2017 and 2019, including:

- The Clackamas County **Housing Needs Analysis (HNA)**, completed in 2019 at the direction of the Clackamas County Coordinating Committee, the Board and County Administration, found that housing has become less affordable in the county, and that over the next 20 years there is expected to be a deficit of available residential land for as many as 5,000 dwelling units in the urban unincorporated area;

- The **Housing Affordability and Homelessness Task Force**, appointed by the BCC in 2018, recommended actions the county can take to address housing affordability issues, including strategies related to funding, housing services and housing supply;
- The Board's **Performance Clackamas** strategic plan identified a five-year goal for the Department of Transportation & Development (DTD) to provide zoning/places for 700 new dwelling units affordable to households from 60% to 110% of the area's median income (AMI);
- **House Bill 2001** [2019] and **Senate Bill 1051** [2017], require the county to amend its zoning regulations to, among other things, allow for additional housing types in single-family residential zones, and
- The **2019-2021 Long Range Planning Work Program** contained several housing-related elements at the request of various community members and groups.

To better understand the components of the Land Use Housing Strategies project and develop a work plan, staff used the recommendations and requirements from the above-mentioned sources as the basis for *Issue Paper #2020-1: Housing Strategies Related to Comprehensive Plan and Zoning and Development Ordinance Updates (Attachment A2)*. The *Issue Paper* reviews the regulatory framework, the amount of staff time needed, the appropriate level of public outreach, and a rapid equity assessment for each strategy under consideration. Based on that analysis, staff recommended that project topics be addressed in the following order.

Recommended Order of Review and Action for DTD Housing Strategies		
Phase	Optional (O) / Required (R)	Strategy
1	O	Consider permanent regulations to allow transitional shelter communities
	O	Consider providing a tiered density bonus for inclusion of affordable housing
	O	Consider increasing or removing maximum density requirements for multifamily developments in commercial zoning districts
	O	Consider creating a hierarchy of parking standards based on proximity to transit and/or dwelling unit affordability
2	R	Modify the zoning code to have clear and objective criteria for all housing (per SB 1051 [2017])
	O	Clarify Comprehensive Plan policies for rezoning in low density residential districts
	R	Allow duplexes, triplexes, quadplexes, cluster cottages, and townhouses in urban single-family zones (per HB 2001[2019])
3	O	Review potential to add housing to schools, places of worship and church owned property
	O	Consider creating a transferrable development rights bonus system
	O	Consider rezoning land to preserve manufactured dwelling parks
	O	Explore opportunities for permitting additional housing types, such as micro-units, co-housing, live/work units, and mixed use development

Project Status

- Jan. 27, 2020: Planning Commission work session to discuss the Issue Paper and proposed work program approach; commissioners supported staff recommendations.
- Feb. 11, 2020: Board of Commissioners Policy Session to discuss the Issue Paper; BCC agreed with proposed approach and phasing, directed staff to begin work on the project.

Since then, Planning staff has:

- Worked on several Phase 1 strategies, including research, public outreach and drafting potential zoning code amendments;
- Participated in state rulemaking efforts for HB2001, which will be implemented by the county during Phase 2; and
- Obtained a grant from the State Department of Land Conservation and Development (DLCD) to assist with public outreach related to HB 2001, and executed contracts for consultants who worked with us to develop the public outreach plan.

More detail about the overall Land Use Housing Strategies project is in *Attachments A2 through A4* and on the project webpage at www.clackamas.us/planning/land-use-housing-strategies.

Board Options for Part A

This portion of the Planning Session is informational. The Board will have an opportunity to weigh in on the specific strategies in Phases 1 and 2 in the following parts.

Recommendation for Part A

None. This part is informational only.

Part B: Phase 1 Strategies (Presentation Time: 20 minutes)

Over the past year, staff has been evaluating three of the four Phase 1 strategies:

- 1) Consider increasing or removing maximum density requirements for multifamily developments in commercial zoning districts (C-3, RTL, OC, and CC),
- 2) Consider creating a hierarchy of parking standards based on proximity to transit and/or dwelling unit affordability, and
- 3) Consider providing a tiered density bonus to developers for including affordable housing.

Each strategy is discussed in more detail in *Attachment B2*.

To develop recommendations for ZDO changes related to each strategy, staff has:

- Reviewed related studies and data;
- Reviewed how and/or if zoning codes in other jurisdictions address the underlying issues in each strategy;
- Analyzed the potential impact to the housing stock from ZDO changes related to the strategies; and
- Conducted public outreach, including:

- An online public survey from Dec. 9, 2020 – Jan. 8, 2021; there were 573 respondents;
- Discussions with a technical working group of people with experience and interest in the topic in September and October 2020, and January 2021; and
- Presentations to community groups including the Jennings Lodge CPO, Oak Grove Community Council, Community Leaders Meeting and Housing Oregon’s Portland Metro Policy Council.

A brief description of each strategy is below, followed by staff’s recommendations for ZDO amendments to address each.

- 1) **Maximum Density for Multifamily Developments in Commercial Zones:** Our ZDO has no height limits, maximum floor area ratios or maximum density for commercial developments in most commercial zones, but does have maximum densities (dwelling units per acre) for residential development in some commercial zones. In commercial districts most commonly found along major transportation corridors in the urban area, multifamily dwellings are limited to 25 dwelling units/acre.

This strategy included two considerations: *removing* the maximum density or *increasing* the maximum density. This strategy originates from the Housing Affordability and Homelessness Task Force, but several residential developers have also indicated that a higher density allowance is needed for development to be financially feasible. Based on research and public feedback, staff has found there is little support for completely removing the maximum density, but there is some support for increasing density to allow for more units to be developed.

Concerns were expressed by several members of the technical working group about the impacts of removing the density maximum and gentrification or displacement. Specifically, they were concerned that if density limits were completely removed and an unlimited number of dwelling units could be built on a property, the value of that property would likely increase dramatically, making it even more expensive to build on and resulting in a need to charge higher prices for units.

However, based on an analysis of vacant and partially-vacant commercial lands, increasing density allowances by an additional 20 to 35 dwelling units/acre could help generate as many as 500 to 800 additional housing units near commercial services. That proximity is desirable for accessibility to jobs, goods and services, and transit, and may be associated with improved public health. This strategy will not, by itself, address the 5,000-unit housing deficit identified in the county’s Housing Needs Analysis (HNA) but could certainly help “move the needle.”

It should be noted that increasing maximum allowed densities for residential development in the commercial zones would not change the fact that both commercial and residential uses can be developed on a site. In these zones, mixed-use development is currently allowed and will continue to be allowed. In addition, this project is not proposing any changes to allowed commercial uses in these areas and is not proposing to require residential development.

- a) **Staff recommends increasing the maximum density to 60 dwelling units/acre in the C-3, RTL, OC, and CC zones.–This is the same as in the Special High Density (SHD) Residential District that currently exists in the urban area, but lower than allowed in several commercial and mixed-use districts in and near the Clackamas Regional Center.**

- 2) **Required Parking for Multifamily Developments:** Currently the ZDO provides just one parking ratio (spaces/residential unit) for all multi-family developments -- a minimum of 1.25-1.75 parking spaces per residential unit, depending on number of bedrooms. Reductions have been granted in the past, most recently by the Board under the housing emergency declaration. However, if the Board agrees that parking reductions are warranted, this allowance should be codified.

Data shows that both household income level and proximity to a light rail station reduce the need for parking.

From our public outreach, there generally appears to be modest support for and understanding that some reductions in required parking may be warranted, but there are concerns about reducing parking by too much, including:

- Impacts of overflow parking on neighborhood roads;
- The fact that many areas that allow multifamily housing, especially commercial corridors, do not have a connected network of streets that would allow on-street parking; and
- While data shows lower car ownership among lower income households, it is important to provide some parking for developments serving low-income households because many of them have multiple working adults or one who works a shift at a time when there is no available transit service.

It is important also to consider the connection between parking and density allowances. Reduced parking would likely only result in more units being developed if used in conjunction with increased density. In fact, reduced parking requirements may be needed to increase densities on many urban sites because of site constraints and the cost of otherwise having to construct structured parking.

Staff recommends:

- *Reduce slightly the required parking for all multifamily development, but maintain a requirement of at least 1 space per unit, regardless of number of bedrooms. Add a parking requirement for studio (i.e., 0 bedroom) units; and*
 - *Provide for a 20% to 40% greater reduction in required parking for units guaranteed to be affordable and those within close proximity of a light rail station; or*
 - *Allow for a parking reduction to be determined on a case-by-case basis, based on study or other evidence that fewer spaces are needed, with a maximum overall reduction of 40%.*
- 3) **Affordable Housing Bonus:** An affordable housing bonus is a voluntary program that grants a developer additional building entitlements (for example, more height or units) or more flexibility in development standards (for example, reduced setbacks or parking) in exchange for providing affordable housing within a development.

Currently the ZDO provides a very limited density bonus if a development includes affordable housing for low-income households – one unit (either market rate or affordable) beyond the base density for each affordable unit developed, up to 8% of base density. (e.g., if the allowable density is 100 units and a developer proposes to make at least 8 of those affordable, they may add 8 units, for a total of 108.) This bonus is rarely used and, even when used, does not result in a significant number of additional affordable units.

Based on our research and public outreach, there is support for a more generous affordable housing bonus. To help understand what a different bonus should be or how it should be structured, staff reached out to several affordable housing developers and Housing Oregon's Portland Metro Policy Council to gain a better understanding, and learned the following:

- Keep it simple. Developing and financing affordable housing is already complicated.
- It is more beneficial to offer a generous bonus for all levels of affordable housing. Since all affordable housing is difficult to develop and finance, there is not a lot of value in having a higher bonus for units at lower affordability levels.
- Offering reduced parking with affordable housing may be more effective than density bonuses as a way to help with the financial feasibility of a development.

Staff recommends:

- *Increase the affordable housing bonus – or number of additional units above the maximum density – that could be approved in a multifamily development from 8% to 50% above the base density in multifamily zones and clarify that it applies in commercial zones as well;*
- *Include a specific income level (percent of median family income) at which the units would need to be maintained in order to qualify for the bonus;*

Timing for completion: If the Board directs staff to move into the public hearings phase for these three Phase 1 strategies, we would expect to have a work session with the Planning Commission in May and public hearings before the PC and BCC this summer.

The fourth Phase 1 strategy – Transitional Shelter Communities – is under development. The Board had a discussion on this topic during a recent Issues session following the affordable housing town hall. One area of interest that the Board identified was allowing greater flexibility for faith-based institutions to provide transitional housing options on their properties. There are a couple of bills in the Oregon Legislature that staff is monitoring. If adopted, they may provide regulatory pathways for potential applicants.

Questions were also raised about using the housing emergency declaration as a tool to permit this type of housing. This is an option, although it is probably most appropriate for shelter of a temporary nature (car camping, use of an existing church building for overnight shelter). As a long-term solution to providing transitional shelter options of a more substantial design (e.g., tiny home villages), a zoning code amendment would be the appropriate tool. A zoning code amendment could also offer clarity about where and under what circumstances the county would allow car camping, use of an RV, or other options.

Discussion Questions for Part B

1. *Are there specific concerns or questions about the initial recommendations?*
2. *Should staff move the initial recommendations forward, with input received today from the BCC, to the Planning Commission for a Planning Session followed by a public hearing?*
3. *What approaches to transitional sheltering should be considered?*

Board Options for Part B

- B1. Direct staff to move the three Phase 1 strategies to the Planning Commission and public hearings process for adoption, and continue work on the fourth Phase 1 strategy.
- B2. Direct staff to move only some Phase 1 strategies forward and to either discontinue work on the other Phase 1 strategies or modify the approach to those as specified by the Board.

Recommendation for Part B

Staff respectfully recommends Option B1 - direct staff to move the three Phase 1 strategies to the Planning Commission and public hearings process for adoption, and continue work on the fourth Phase 1 strategy.

Part C: Phase 2 strategies (Presentation Time: 10 minutes)

For this section, staff is providing a high-level preview of the work that will be underway over the next year. Specific staff recommendations have not yet been developed and staff will schedule future BCC policy sessions as more details are developed.

The following three strategies will be considered in Phase 2.

- 1) Allow duplexes, triplexes, quadplexes, cluster cottages and townhouses (“middle housing”) in urban single-family zones (HB 2001[2019]) – REQUIRED by state law
- 2) Modify the zoning code to have clear and objective criteria for all housing (SB 1051[2017]) – REQUIRED by state law
- 3) Clarify Comprehensive Plan policies for rezoning in low density residential districts - OPTIONAL

A brief description of each strategy is below.

- 1) **Allowing duplexes, triplexes, quadplexes, cottage clusters and townhouses as required by HB2001:** HB2001 (middle housing bill), passed by the 2019 Oregon Legislature, applies to cities with populations over 10,000 throughout the state, and to cities and counties with a population over 1,000 in the Portland Metro urban growth boundary. HB 2001 requires the county to:
 - a. allow a duplex on *any* urban lot zoned for a detached single-family home, and
 - b. allow triplexes, quadplexes, cottage clusters and townhouses in urban *areas* zoned for a detached single-family home.

Through rulemaking, DLCD established a model code for HB2001 requirements and parameters a jurisdiction needs to follow if developing its own codes to implement HB2001. County staff expects to use the model code as a guide for creating our own zoning code regulations for middle housing in the urban unincorporated areas. If the county fails to adopt regulations to implement HB2001, the model code will automatically apply on July 1, 2022.

HB2001 allows a jurisdiction to request an infrastructure-based time extension request (IBTER) for the application of middle housing requirements in areas with certain water, sewer, storm water or transportation infrastructure constraints that would not allow further middle housing development. However, there are very specific and limited circumstances where these would be allowed.

- 2) ***Clear and objective standards per SB1051:*** Based on recent land use cases at the Land Use Board of Appeals (LUBA) and on SB1051 (2017), the county and all Oregon jurisdictions are required to have a “clear and objective” path for all types of housing development. This will require an audit of the county’s standards for development of individual housing units and for residential land divisions to ensure that this “clear and objective” path is available. (A path involving “discretionary” criteria for housing may be included in the code, but only as an option for developers if they choose not to utilize the “clear and objective” path.) The most efficient use of staff time to accomplish this required task is to work in conjunction with implementing changes required under HB2001.
- 3) ***Comprehensive Plan policies for rezoning low-density residential land:*** This strategy would require Comprehensive Plan text amendments to clarify zone change policies and potentially restrict zone changes in urban low-density residential areas. We included this strategy in response to a request from the community and in response to a Land Use Board of Appeals (LUBA) decision in 2015 that changed the way the low-density residential zone change policies are evaluated when considering an application for a zone change from one urban single-family residential zone to another. Based on that LUBA decision, staff believes that the relevant Comprehensive Plan policies should be evaluated and potentially changed to provide more clarity and to ensure they are consistent with other low-density residential goals and policies. Again, the most efficient use of staff time to accomplish this task will be to work in conjunction with implementing the changes required under HB2001.

Staff has been laying the foundation for Phase 2 work, and specifically for the implementation of HB2001 - the middle housing requirements.

- *Equitable public engagement plan:* We were awarded a Planning Assistance Grant from the Department of Land Conservation & Development (DLCD) to hire consultants to provide a more robust, inclusive and innovative public engagement process. The BCC accepted the grant funds in August 2020. Two consultants – Cascadia Partners LLC and PKS International LLC - were hired for this work and have worked with staff to develop the initial public outreach plan (see *Attachment C3*). Because of time constraints in the grant funding, the consultants must complete their work by June 30, 2021; after that, staff will use the connections and relationships developed by the consultants to continue to engage the public throughout the code amendment process.
- *HB 2001 rulemaking:* Principal Planner Martha Fritzie was involved in the state rulemaking for the implementation of HB 2001, which was completed in December 2020.
- *Understanding if an Infrastructure-Based Time Extension Request (IBTER) is needed for any portion of the urban area:* In February 2021 staff contacted the sewer, water, and stormwater providers in the urban unincorporated area to find out if there are any areas that may have service concerns that would result from the 1%-3% increase in density expected to occur with the new middle housing requirements. None of the providers that responded indicated service concerns that would meet the IBTER requirements.

County transportation planning staff also looked into the IBTER requirements and, because of the very narrow definition of transportation facilities in the IBTER rules as well as the short window of time for the deficiency to exist, determined that there are not any areas that would be appropriate for a transportation-related IBTER.

Timing for completion: Public engagement related to HB2001 began in April. Phase 2 code amendments will follow, with adoption expected in Spring/early Summer 2022.

Board Options for Part C

- C1. Direct staff to continue working on the three Phase 2 strategies and to schedule policy sessions to update the Board, as needed.
- C2. Direct staff to only move forward with the two required strategies – implementation of HB2001 and SB1051 and to schedule policy sessions to update the Board, as needed.

Recommendation for Part C

Staff recommends Option C1 – direct staff to continue working on the three Phase 2 strategies and to schedule policy sessions to update the Board, as needed.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? Yes

What is the cost? Existing staff time

What is the funding source? Planning & Zoning Division budget, funded primarily by the General Fund, plus a DLCD grant of \$114,500 for outreach materials and equitable engagement for the HB 2001 / Middle Housing requirements (part of Phase 2).

STRATEGIC PLAN ALIGNMENT:

- **How does this item align with your Department’s Strategic Business Plan goals?**
The project aligns with the Long-Range Planning program’s purpose of providing land use and transportation plan development, analysis, coordination and public engagement services to residents; businesses; local, regional and state partners; and County decision-makers so they can plan and invest based on a coordinated set of goals and policies that guide future development.
- **How does this item align with the County’s Performance Clackamas goals?**
The project aligns with the goal to “ensure safe, healthy, and secure communities” by providing a comprehensive look at strategies that can be implemented through the development code to provide for more housing opportunities in county locations that will be appropriate, safe and affordable for the wide variety of households in the county. The project will also help the county achieve the housing targets in the Board’s Performance Clackamas strategic plan, which identifies a target for DTD to provide zoning/places for 700 new dwelling units affordable to households between 60% and 110% of the area’s median income (AMI) by 2025.

LEGAL/POLICY REQUIREMENTS:

A general overview of legal and policy requirements of the Land Use Housing Strategies project is provided in the Issue Paper. As the project moves forward, legal and policy requirements of each strategy will be assessed in more detail. However, two elements of the Housing Strategies project are legally required under state law - implementation of HB2001 and SB1051.

PUBLIC/GOVERNMENTAL PARTICIPATION

With the involvement of Public & Government Affairs staff, engagement of the public and community outreach is being implemented throughout the life of the project. The focus is on providing meaningful educational and engagement opportunities, building new relationships, and interfacing with the diverse communities that will be impacted by new housing regulations.

Public notice will be provided as required by law for any proposed amendments to the Comprehensive Plan or the ZDO that come before the Board for consideration at a public hearing.

OPTIONS

See specific options for Parts B (page 7) and C (page 9) above.

RECOMMENDATION

See specific recommendations for Parts B (page 7) and C (page 9) above.

ATTACHMENTS

Part A: Overview

1. Staff PPT presentation, Part A, April 28, 2021
2. *Long-Range Planning Issue Paper #2020-1: Housing Strategies Related to Comprehensive Plan and Zoning and Development Ordinance Updates* (Feb. 3, 2020)
3. Final Summary Report: *Clackamas County Regional Housing Needs Analysis*, EcoNorthwest (September 2019)
4. Housing Affordability and Homelessness Task Force, *Report to the Board of County Commissioners* (December 2, 2019)

Part B: Phase 1 Strategies

1. Staff PPT presentation, Part B, April 28, 2021
2. Phase 1 strategies: background, data, analysis and recommendations
 - a. Density in commercial zones
 - b. Parking for multi-family developments
 - c. Affordable housing bonuses
3. Phase 1 survey questions and results
4. *DTD Health Strategies – Health Equity Lens*, Abe Moland, Health and Transportation Impact Planner (January 12, 2021)

Part C: Phase 2 Strategies

1. Staff PPT presentation, Part C, April 28, 2021
2. Fact Sheets: HB 2001
3. HB2001 equitable outreach: Public Engagement Plan, consultant contracts and scopes of work
4. HB2001 and IBTERs: Outreach to service providers and responses

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval *Dan Johnson*

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Martha Fritzie @ 503-742-4529.



Land Use Housing Strategies Project:

Supporting the development of more affordable housing in urban unincorporated areas through changes to land use zoning

PART A: OVERVIEW

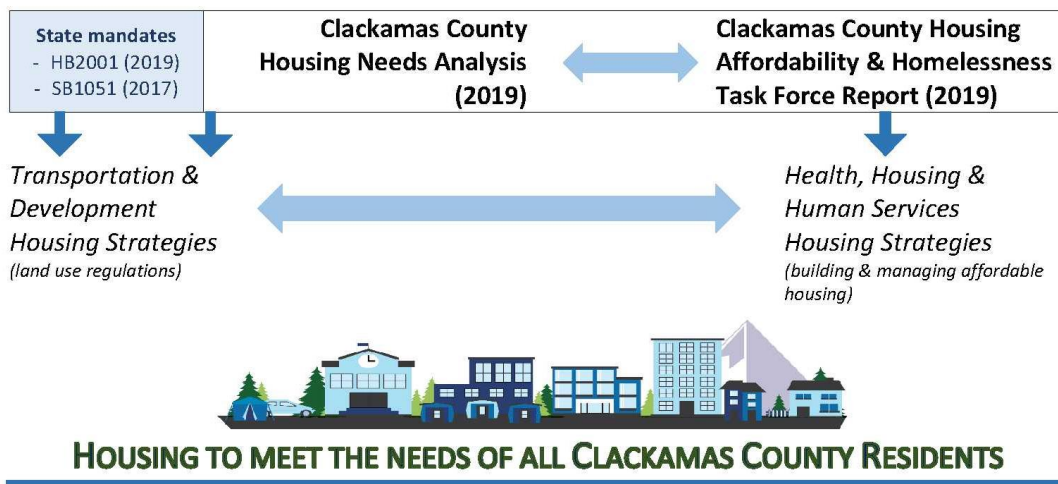
Board of Commissioners Planning Session

Wednesday, April 28, 2021



OVERVIEW

Slide 2



HOUSING TO MEET THE NEEDS OF ALL CLACKAMAS COUNTY RESIDENTS



OVERVIEW: Housing Needs Analysis - 2019

- ▶ Housing increasingly less affordable
- ▶ Limited supply of urban residential land
- ▶ Need for >5,000 more housing units in urban unincorporated areas
 - Multifamily (MF)
 - Housing that is:
 - Affordable
 - Available
 - Of different types, sizes and costs

Slide 3



OVERVIEW: Housing Affordability and Homelessness Task Force (2018-19): Land use recommendations

- Tiered density bonus for affordable housing & transferrable development rights bonus system
- Increased maximum density for multi-family development in commercial districts
- Hierarchy of parking standards
- Enhanced ability for Shelter Off the Streets (SOS) housing

Slide 4



OVERVIEW: Strategy Development

- ▶ Identified potential strategies based on:
 1. State mandates
 2. Recommendations from county task force
 3. 2019-2021 Long-Range Planning Work Program
 4. Performance Clackamas

- ▶ Recommended phasing based on:
 1. Equity
 2. Production of new units
 3. Regulatory context

- ▶ Created *Issue Paper*

Slide 5

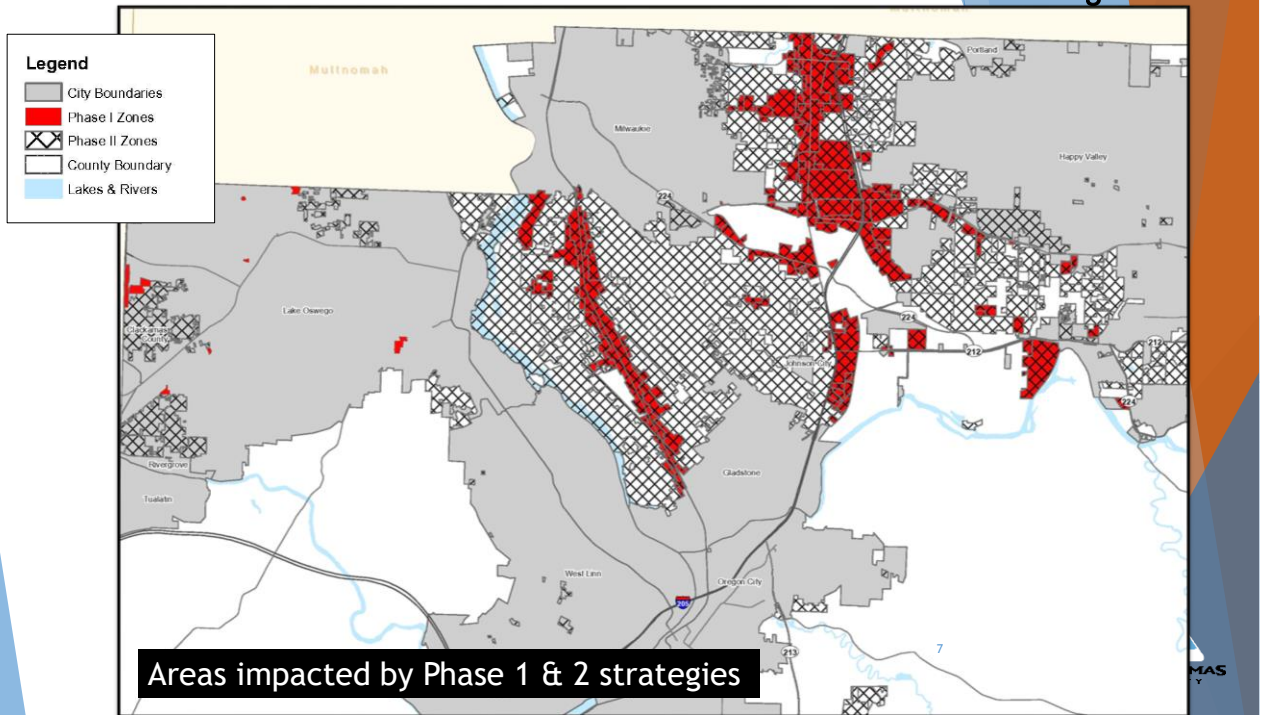


OVERVIEW: General Project Timeline

	Winter/ Spring 2020	Summer/ Fall 2020	Winter/ Spring 2021	Summer 2021	Fall/ Winter 2021	Winter/ Spring 2022
Public Engagement						
Phase 1 – Strategy review and recommendation						
Phase 2 – Strategy review and recommendation						
Phase 3 – Reassess strategy approach						

Slide 6





Slide 8

Part A: Overview Discussion and Questions



Housing Strategies Related to Comprehensive Plan and Zoning & Development Ordinance Updates

ISSUE

Housing in Clackamas County is becoming less affordable. According to the Clackamas County 2019 Housing Needs Analysis (HNA), between 2002 and 2016 the inflation-adjusted median home value in Clackamas County increased from \$278,982 to \$319,100, while income decreased from \$74,419 to \$68,915, resulting in approximately 36% of homeowners and 47% of renters in urban unincorporated Clackamas County facing affordability problems. Exacerbating this problem is a deficit in buildable residential land in the urban unincorporated area of the County. Based on estimates in the HNA, unincorporated Clackamas County lacks residentially-zoned land for as many as 5,000 housing units needed in the next 20 years, over half of which would be multifamily units.

The HNA identifies a need for additional housing types to provide housing for people at a range of income levels and to respond to the preferences of the Baby Boomers and Millennials that make up a growing portion of the population (Figure 1). The challenge is that the county has a need for a wide range of housing solutions to serve the needs of households at varying income levels and, similar to the rest of the country, there is a tendency for low density residential development to dominate the new construction market.

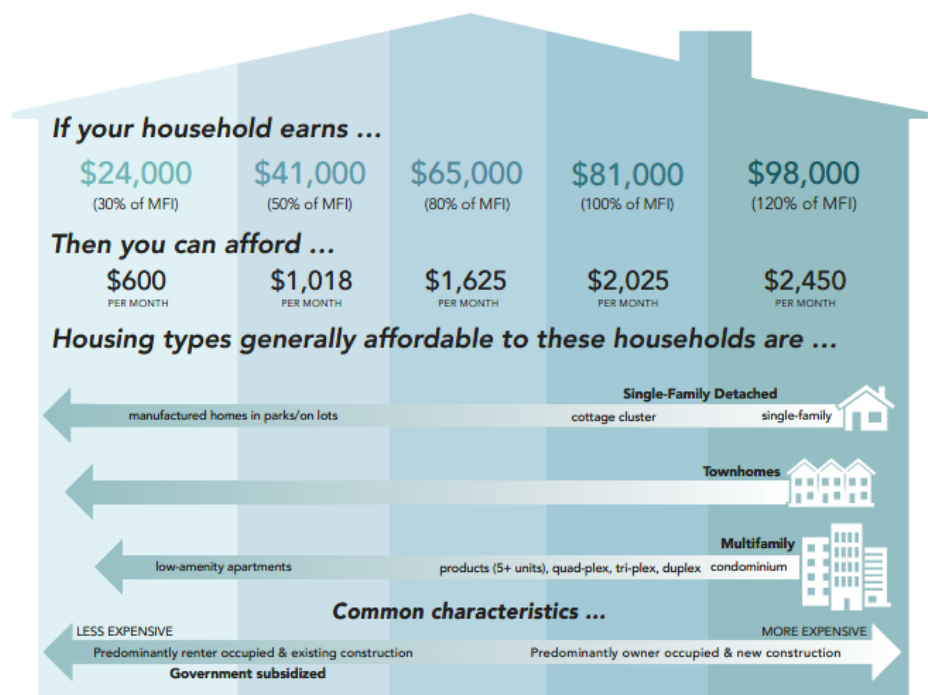


Figure 1: Types of Financially Attainable Housing. Source: Exhibit 63. HNA 2019

To meet the range of needs identified in the HNA, several strategies need to be deployed, both through the implementation of programs administered by the County’s Department of Health, Housing and Human Services (H3S) and other non-profits, as well as changes to the land use regulations implemented by the Department of Transportation and Development (DTD). This Housing Strategies Issue Paper (Issue Paper) is designed to introduce the strategies that would require updates to the county’s Comprehensive Plan (Plan) and Zoning and Development Ordinance (ZDO). These will be referred to as the “housing strategies”.

STRATEGY IDENTIFICATION

An urgent need for long-range planning action on affordable housing has come from several sources in recent years.

State Legislation: In 2017, the Oregon legislature passed **Senate Bill 1051**, which requires jurisdictions to provide clear and objective standards for housing development, and to allow accessory dwelling units (ADUs) in areas zoned for detached housing inside urban growth boundaries. In 2019, the legislature passed **House Bill 2001** that applies to larger cities throughout the state, as well as jurisdictions with a population over 1,000 in the Portland Metro urban growth boundary, including unincorporated areas of Clackamas County. In accordance with House Bill 2001, Clackamas County has until June 2022 to modify its zoning code to provide for “middle housing” by allowing a duplex on any urban lot zoned for a single-family home, and allowing triplexes, quadplexes, cottage clusters and townhouses in urban “areas” zoned for a single-family home^{1,2}.

County Task Force: The Clackamas County **Housing Affordability and Homelessness Task Force** was appointed by the Board of County Commissioners in 2018 to research, recommend and support new policies and strategies to address housing affordability and homelessness in the county. Task force members represented business, health care, building industry, and nonprofit and community interests. Using a racial equity lens to evaluate topics based on potential disproportionate impact to communities of color and other historically marginalized communities, the task force identified recommendations including many related to land use regulations. The recommendations were classified as Tier One if they were likely to effect change in the shortest period, and Tier Two if they were less likely to result in a significant number of affordable housing units or were likely to be addressed by state legislation.

Long-Range Planning Work Program: During fall 2018, the Planning & Zoning Division received suggestions on projects and priorities to include in the Planning & Zoning Division’s 2019-21 Long-Range Planning Work Program from the public, staff, other county departments, the Board of Commissioners, the Planning Commission and community groups. Some of those suggestions related to housing affordability, density and related topics. Staff compiled the comments and suggestions, which were prioritized, recommended by the Planning Commission, and ultimately approved by the Board of Commissioners to be included in the 2019-21 work program.

In response, the County Department of Transportation & Development (DTD) has initiated the DTD Housing Strategies project. The requirements and recommendations from the state legislature and the County’s Housing Affordability and Homelessness Task Force and specific items that emerged from the Long-Range Planning Work Program 2019-2021 outreach effort were compiled in a housing spreadsheet that was presented to the Board of Commissioners at a policy session on Dec. 12, 2019 (Appendix A).

This Issue Paper identifies the specific requirements and recommendations that emerged from these sources and provides a high-level review of the background, the regulatory context and an initial

¹ Oregon House Bill 2001. <https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2001/Enrolled>

² Oregon Department of Land Conservation and Development
https://www.oregon.gov/lcd/NN/Documents/MiddleHousing_HB2001_FactSheet_Aug2019.pdf

assessment of the elements to include as the DTD Housing Strategies project moves forward. Below is the list of housing strategies that are addressed in this Issue Paper (Table 1).

More detailed information about each strategy is found in the “Analysis” section and Appendix B. A recommendation for the project approach and work plan follows.

Table 1: DTD Housing Strategies for Initial Review	
<i>Items listed with an “R” are required by state legislation, while items listed with an “O” are optional.</i>	
R-1	Modify the zoning code to have clear and objective criteria for all housing (per SB 1051[2017])
R-2	Allow duplexes, triplexes, quadplexes, cluster cottages and townhouses in urban single-family zones (per HB 2001[2019])
O-1	Identify appropriate areas and processes to allow “shelter off the streets”
O-2	Review potential to add housing to schools, places of worship and church-owned property
O-3	Consider permanent regulations to allow transitional shelter communities
O-4	(a) Consider providing a tiered density bonus for inclusion of affordable housing, and (b) Consider creating a transferrable development rights bonus system
O-5	Consider increasing or removing maximum density requirements for multifamily developments in commercial zoning districts
O-6	Consider creating a hierarchy of minimum parking standards based on proximity to transit and/or dwelling unit affordability
O-7	Consider rezoning land to preserve manufactured dwelling parks
O-8	Explore opportunities for permitting additional housing types, such as micro-units, co-housing, live/work units, and mixed use development
O-9	Clarify Comprehensive Plan policies for rezoning in low density residential districts
O-10	Restrict Temporary Dwellings for Care

BACKGROUND

Over the last several years, the cost of living has outpaced wage growth³ across the nation (Figure 2). In addition, new construction of single-family and multifamily housing dropped in response to the housing stock made available from the boom of the early 2000’s and left unbuilt in response to the recession of 2008⁴

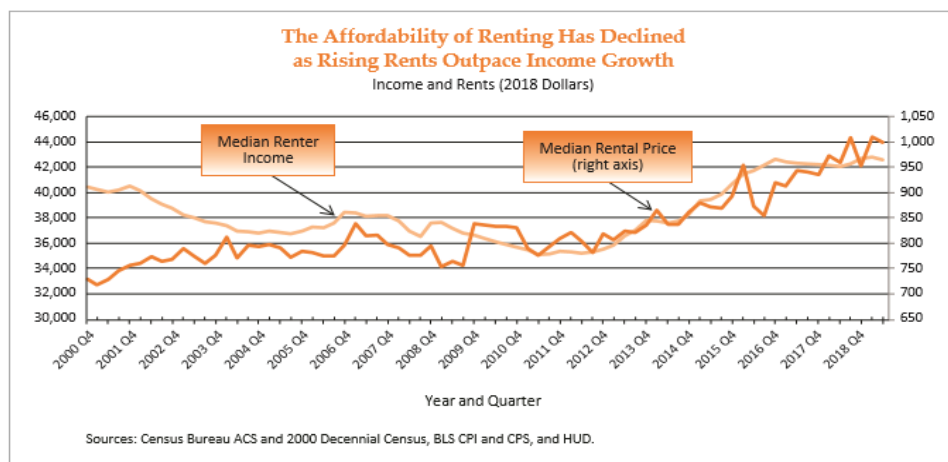


Figure 2: Rising Rents Outpace Income Growth. HUD PD&R National Housing Market Summary 2nd Quarter 2019.

(Figure 3). The national vacancy rate for both owner-occupied and rental units fell in 2018, to 4.4

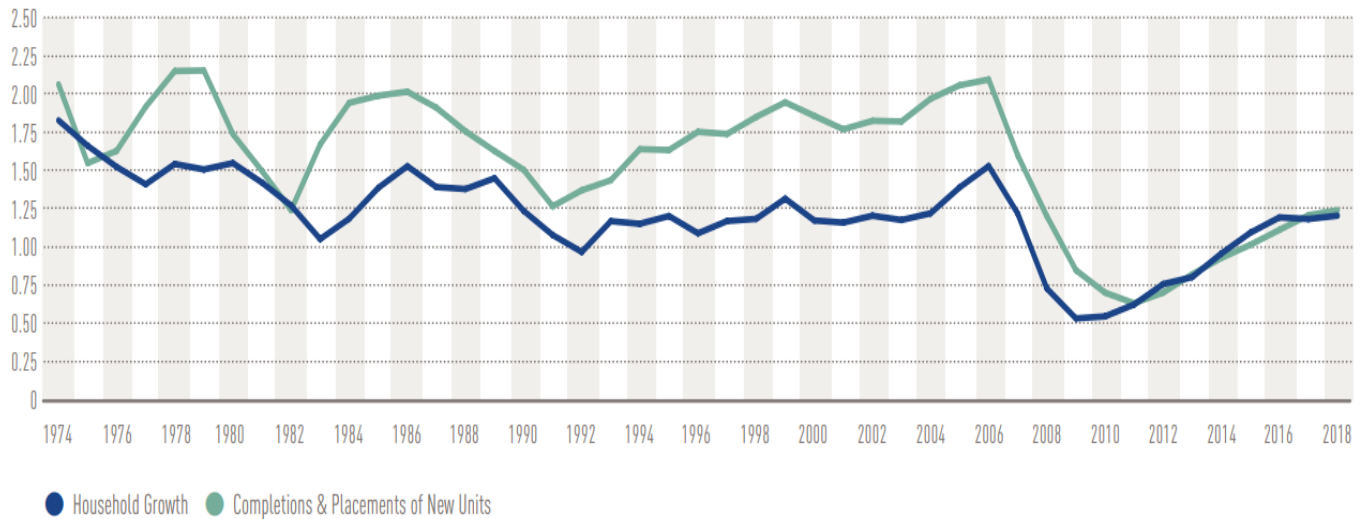
³ HUD’s New Rental Affordability Index. <https://www.huduser.gov/portal/pdredge/pdr-edge-trending-110716.html>.

⁴ Defining Housing Affordability. <https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-081417.html>

percent, its lowest point since 1994⁵. This lag in wage growth compared to median rental prices, compounded by a reduced supply of new housing, has left a gap in the supply of affordable housing (Figure 4).

Housing Construction Has Barely Kept Pace with Household Growth for an Unprecedented Eight Years

Units (Millions)



Notes: Household growth estimates are based on three-year trailing averages. Placements refer to newly built mobile homes placed for residential use.
 Source: JCHS tabulations of US Census Bureau, Housing Vacancy Surveys and New Residential Construction data.

Figure 3: The State of the Nation's Housing 2019. Joint Center for Housing Studies at Harvard University.

The US Department of Housing and Urban Development (HUD) defines affordable housing as housing that costs less than 30% of a household's income with utilities included. Keeping housing costs below 30% of a household's income allows the household to pay for other nondiscretionary costs such as groceries, healthcare, transportation and childcare. Oregon Senate Bill 1051 defines "Affordable Housing" as "housing that is affordable to households with incomes equal to or less than 60% of the median family income for the county in which the development is built or for the state, whichever is greater."⁶ The 2018 annual median household income (AMI) for Clackamas County is \$76,597⁷. Therefore, housing costs would have to be less than \$13,787 a year, or \$1,148 a month, to make housing affordable for a household that makes \$45,958 a year (60% AMI). Great disparities exist between household AMI for different races. For example, AMI for Black or African American households (\$36,213) in Clackamas County is less than 50% of AMI for White households (\$76,986)⁸.

⁵ Joint Center for Housing Studies of Harvard University. The State of the Nation's Housing 2019.

https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_State_of_the_Nations_Housing_2019.pdf

⁶ Oregon Senate Bill 1051. <https://olis.leg.state.or.us/liz/2017R1/Downloads/MeasureDocument/SB1051/Enrolled>

⁷ U.S. Census 2018: ACS 5-Year Estimate Subject Table: Median Income in the Past 12 Months (in 2018 Inflation-Adjusted Dollars)

⁸ U.S. Census 2018: ACS 5-Year Estimate Subject Table: Median Income in the Past 12 Months (in 2018 Inflation-Adjusted Dollars)

As rent and homeownership become less affordable, the risk of becoming houseless increases. To collect data on the number of houseless individuals, the region conducts a Point-In-Time count on one day in January every two years. In Clackamas County, the 2019 Point-In-Time count identified 1,166 houseless individuals, which was a 9% increase from 2017. People of color are disproportionately represented among the houseless, with the Black or African American population making up 4% of the count, despite only making up 1.2% of county population.

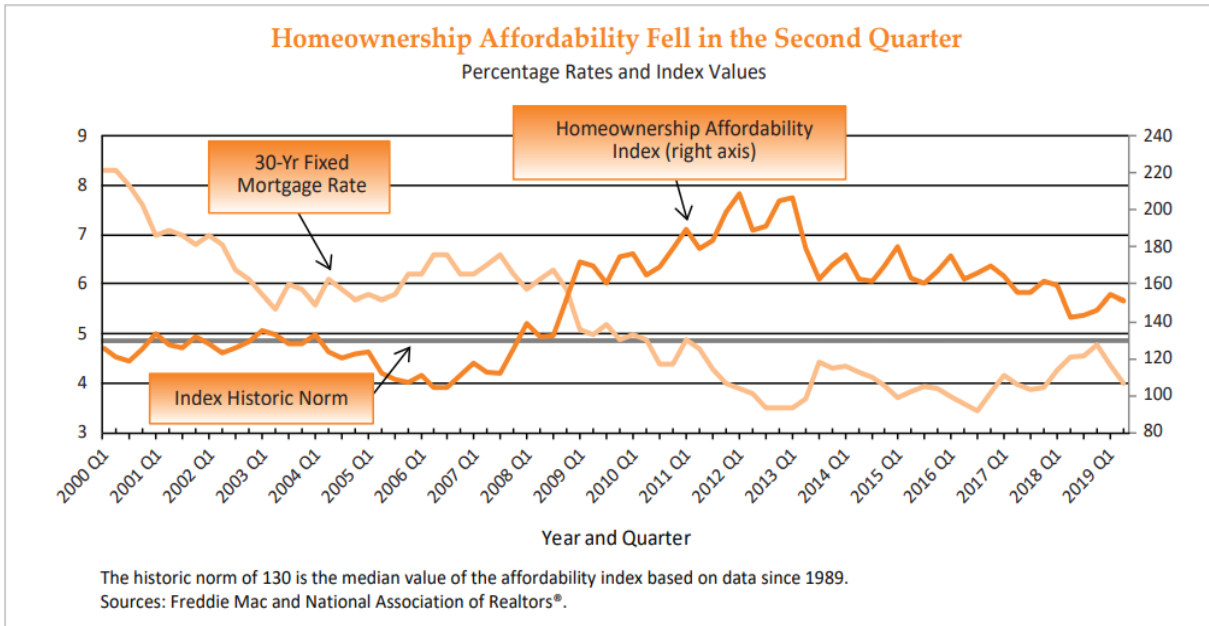


Figure 4: Homeownership Affordability. Source: HUD PD&R National Housing Market Summary 2nd Quarter 2019.

Regional voters approved the \$658 million Metro Affordable Housing Bond in 2018. The Housing Authority of Clackamas County will receive \$116 million to purchase land on which to build affordable housing, construct new homes and purchase or renovate existing housing to ensure long-term affordability. Figure 5 outlines the specific goals for the expenditure of the Metro Affordable housing Bond within Clackamas County.

Clackamas County Affordable Housing Bond Goals

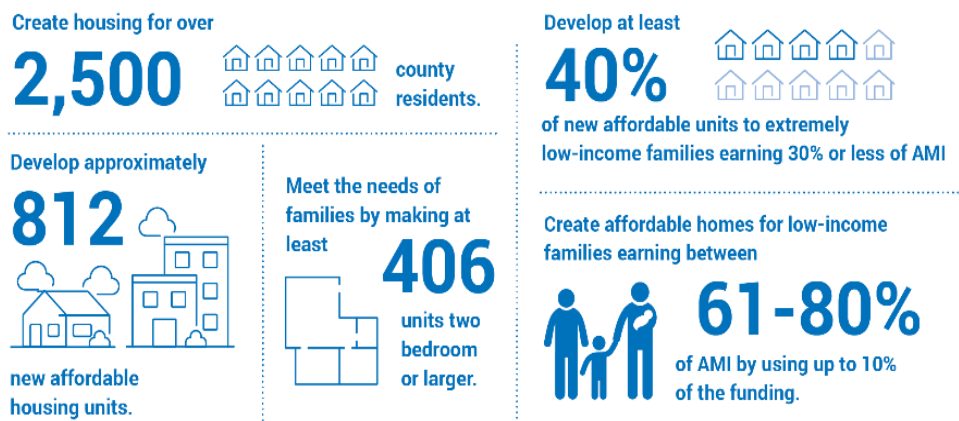


Figure 5: Clackamas County Goals for Implementing the 2018 Housing Bond.

In 2018, Clackamas County, in collaboration with its cities, produced a countywide Housing Needs Analysis (HNA). Since 2000,

approximately 24,050 dwelling units have been built in the county. Considering the current housing stock and projected population growth, the HNA suggests that an additional 8,175 dwelling units will need to be built over the next 20 years in urban unincorporated Clackamas County, which has a land capacity to accommodate only about 3,178 dwelling units if developed with current zoning limits and historic densities⁹ (Figure 6). Therefore, employment of a variety of strategies is essential to increase the future supply of housing.

Plan Designation	Tax Lots Smaller than 0.38 acre			Tax Lots < 0.38 and > 1.0 acre			Tax Lots larger than 1.0 acre			Total, combined	
	Buildable Acres	Density Assump-tion	Capacity (Dwelling Units)	Buildable Acres	Density Assump-tion	Capacity (Dwelling Units)	Buildable Acres	Density Assump-tion	Capacity (Dwelling Units)	Buildable Acres	Capacity (Dwelling Units)
		(DU/gross acre)			(DU/gross acre)			(DU/gross acre)			
Low Density	107	5.1	545	171	4.6	788	337	4.2	1,414	615	2,747
Medium Density	3	12.1	34	2	10.9	24	3	9.9	30	8	88
Medium-High Density	1	19.3	18	2	17.3	40	10	15.7	150	13	208
High Density	1	30.5	28	1	27.4	24	3	24.8	83	5	135
Total	112	-	625	177	-	876	353	-	1,677	641	3,178

Figure 6: Source: HNA Buildable Lands Inventory; calculations by ECONorthwest. Note: DU is dwelling unit.

The demographics of Clackamas County are anticipated to change with the Millennials and Baby Boomers increasing the demand for smaller units that are often found in small-lot, single-family detached housing, and multifamily housing (HNA). To address a range of incomes, and changing demographics, a variety of housing types and densities will be required for the population as it grows and demands smaller, denser development (Figure 7).

Plan Designation	Capacity (Dwelling Units)	Demand (Dwelling Units)	Comparison (Capacity minus Demand)	Land Deficit Gross Acres
Low Density	2,747	2,902	(155)	(35)
Medium Density	88	1,430	(1,342)	(124)
Medium-High Density	208	1,471	(1,263)	(78)
High Density	135	2,372	(2,237)	(86)
Total	3,178	8,175	(4,997)	(323)

Figure 7: Comparison of capacity of existing residential land with demand for new dwelling units, Urban Unincorporated Clackamas County, 2019 to 2039. Source: HNA 2019.

ECONorthwest, with support from the Housing Affordability and Homelessness Task Force, also prepared a report titled “Exploring the Factors that Drive Displacement Risk in Unincorporated Clackamas County: With a Special Look at Manufactured Housing Communities”. The report identified 6,000 manufactured dwelling park spaces in the county that serve the very low to medium income populations. As the market demand for land increases, there will be greater pressure for these manufactured dwelling parks to be redeveloped, which would lead to the displacement of park homeowners and renters (ECO 2019¹⁰). The study recommends the county consider rezoning land to preserve manufactured dwelling parks and reduce the risk of displacement for these residents.

⁹ Clackamas County Housing Needs Analysis. 2019 <https://www.clackamas.us/homelessness/taskforce.html>

¹⁰ ECONorthwest 2019. Exploring the Factors that Drive Displacement Risk in Unincorporated Clackamas County: With a Special Look at Manufactured Housing Communities.

REGULATORY CONTEXT

Clackamas County works within a complex regulatory environment that includes legal mandates adopted at the federal, state and regional (Metro) levels. In relation to housing issues, construction of new housing, and potential changes to the Zoning and Development Ordinance (ZDO) to facilitate more affordable housing development, county decision-makers will need to evaluate how potential actions fit into the regulatory environment to ensure that any approved amendments comply with all applicable rules.

- *State and local jurisdictions* can employ strategies to address the need for additional housing as long as they meet the requirements of the Fair Housing Act, which prohibits land use and zoning laws, policies and practices from discriminating on the basis of race, color, religion, sex, disability, family status or national origin^{11,12}.
- *Oregon's Statewide Land Use Planning Goal 10*, adopted in 1974, requires local jurisdictions to inventory buildable lands and provide for "the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density"¹³.
- *The Clackamas County Comprehensive Plan* provides the framework for land use regulations by identifying the overarching goals and policies that guide the development of, and amendments to, the Zoning and Development Ordinance (ZDO). The Comprehensive Plan is comprised of chapters that focus on specific topics, such as transportation and housing.

The county will need to update Comprehensive Plan Chapter 6, Housing, which establishes the goals and policies that guide the associated zoning regulations intended to implement the county's vision for housing.

ANALYSIS

The Planning & Zoning Division's Long-Range Planning Work Program is implemented using existing departmental staff and budget. Therefore, there is a finite amount of time and resources available to allocate to the DTD Housing Strategies project. Staff analyzed each housing strategy identified for possible inclusion in the project to begin to prioritize and determine if the strategy should:

- move forward immediately,
- wait for a later phase of this project, or
- not move forward for consideration within this project at all.

¹¹ The Fair Housing Act is codified at 42 U.S.C §§ 3601-9

¹² 2016 Joint Statement Of The Department Of Housing And Urban Development And The Department Of Justice State And Local Land Use Laws And Practices And The Application Of The Fair Housing Act.

¹³ Oregon's Statewide Planning Goal 10: Housing. <https://www.oregon.gov/lcd/OP/Documents/goal10.pdf>

As part of the overall analysis, staff considered the regulatory framework, the amount of staff time that would be required by the strategy, and the appropriate level of public outreach needed for the strategy. The analysis included a rapid equity assessment (Appendix B) of whether the strategy would:

- increase places for new housing units,
- improve access to housing (including whether the housing was available at affordable rates and close to transit or employment centers),
- increase long-term stability of current residents (individual housing units that remained in their original location and at their original affordability) and
- reduce displacement pressures (that cause residents to move out of their current neighborhood due to increase in cost, redevelopment, or closure of site, with an area wide implication).

This high-level analysis will need to be further evaluated and fine-tuned as the strategies move through the review and code amendment process.

Finally, consideration was given to the fact that, in addition to the DTD Housing Strategies project, the Planning & Zoning Division is working on two grant-funded projects -- the Park Avenue Community Project and the 82nd Avenue Corridor Project -- that allow existing staff to work with consultants to delve into development or redevelopment issues in these targeted locations. These projects have the potential to serve as pilot programs to determine if certain housing strategies may be suitable to meet housing needs in other areas of the county.

Following are specific analyses and recommendations for each of the potential housing strategies listed in Table 1.

R-1. Modify the zoning code to have clear and objective criteria for all housing (per SB 1051[2017])

Analysis: Based on recent land use cases at the Land Use Board of Appeals (LUBA) and on Senate Bill 1051 (2017), the county and all jurisdictions in the state are required to have a “clear and objective” path for all types of housing development. Because of these decisions, an audit of the county’s standards for development of individual housing units, and for residential land divisions, needs to occur to ensure this “clear and objective” path is available. It is important to note that a path involving “discretionary” criteria for housing may be included in the code, but only as an option for developers if they choose not to utilize the “clear and objective” path. Staff recognizes that this audit will lead to required changes in Comprehensive Plan policies and ZDO requirements, and will require a substantial amount of staff time. The most efficient use of staff time to accomplish this required task would be to work in conjunction with implementation of the changes required to the Comprehensive Plan and ZDO by HB 2001 (discussed in R-2).

Staff recommendation: Include in Phase II of the DTD Housing Strategies project.

R-2. Allow duplexes, triplexes, quadplexes, cluster cottages and townhouses in urban single-family zones (per HB 2001[2019])

Analysis: House Bill 2001 (2019), also called the “middle housing bill”, requires the county to allow a duplex on every urban lot zoned to allow for a detached single-family dwelling and to allow triplexes, quadplexes, cottage clusters and townhouses in urban “areas” zoned to allow for single-family dwellings. It is clear from this legislation that amendments to the ZDO will be required to allow for duplexes as a primary use in urban single-family residential zones, rather than through the current conditional use process that is limited to lots of a certain size. What is unclear is the

meaning of “areas” as applied to the other identified middle housing types and what changes will be required to provide for those “areas” in the ZDO. Currently the state Department of Land Conservation and Development is engaged in rulemaking to address the “areas” question and clarify other aspects of the legislation, and will develop a model code to address HB 2001. That work is expected to be completed by the end of 2020, which will give the county plenty of time to address the requirements of HB 2001 before the June 2022 deadline.

Staff recommendation: Include in Phase II of the DTD Housing Strategies Project, after rulemaking and model code work are completed at the state level.

O-1. Identify appropriate areas and processes to allow “shelter off the streets”

Analysis: “Shelter off the streets” refers to car, tent, RV or other temporary (short-term) camping situations, as well as more permanent structures in which beds or small living spaces (like the Clackamas County Veteran’s Village “pods”) are made available for those experiencing houselessness. This item (O-1) discusses temporary, or short-term, shelter of the streets situations; strategy O-3 considers the more permanent transitional shelter communities.

Providing safe, off-the-streets shelter for those with no home was identified as a Tier One recommendation by the Task Force. H3S and the Point in Time Count identified 2,369 people waiting for placement in a total of 569 program beds, more than half of which (323 units of permanent supportive housing) rarely open up according to H3S. Therefore, to provide some stability for the houseless, the Task Force recommended identifying areas for tent cities and camping communities with hygiene and trash services; identifying space for legal RV camping with waste disposal services, including potentially on publicly-owned land; investigating the use of vacant buildings and underutilized sites, and identifying willing private property owners.

The current ZDO can allow “shelter off the streets” as a government use subject to a conditional use procedure, with a public hearing and ample public notice. Privately owned campgrounds can also be permitted in the Rural Residential and a few other zoning districts through the conditional use procedure. Based on recent experience going through a temporary permit process for a small (three-car) camping site in the county, it is apparent that discretionary land use approval processes are not well-suited to serve the immediate need that occurs when people or households find themselves unsheltered.

Based on the preliminary equity assessment, this strategy is anticipated to provide only a few new housing units, but it would likely improve stability and access to housing. The people served by “shelter off the streets” have already been displaced due to affordability, access or other reasons, so a reduction of displacement pressures is not anticipated through this strategy. The emergency declaration used by the Board of County Commissioners, and programs provided through H3S, may be best suited for the immediate nature of the need for “shelter off the streets” whereas more permanent shelters, such as those in the Veteran’s Village, could be addressed through regulations related to transitional shelter communities (see Housing Strategy O-3).

Staff recommendation: Do not amend the ZDO to provide additional pathways for the more temporary types of shelter off the streets. Instead, rely on the emergency declaration where warranted and maintain existing land use options for government uses and campgrounds that could be pursued to site shelter off the streets.

O-2. Review potential to add housing to schools, places of worship and church-owned property

Analysis: The county's ZDO currently allows housing development on school-owned properties and places of worship as long as the overall density of the site is consistent with the underlying zoning district. The Task Force recommended expanding these options by providing a clear process through a conditional use permit procedure, but the recommendation didn't provide clear direction for how much and specifically what types of housing should be considered. This recommendation was considered a Tier Two priority by the Task Force. Another concern with the Task Force recommendation is that a conditional use process is not clear and objective and would, therefore, be impermissible under SB 1051 (2017).

Based on the preliminary equity assessment, adding housing to schools or places of worship is anticipated to provide a moderate number of new housing units, and would likely provide moderate access to housing. However, it is difficult to understand how this strategy would impact housing equity because this type of housing does not currently exist. Most school and church sites are fully developed with parking, athletic fields etc., and would have to displace these facilities to add housing. More time would allow staff to properly engage agency and community partners to ensure the project meets community needs.

Staff recommendation: Evaluate in Phase III of the DTD Housing Strategies project

O-3. Consider permanent regulations to allow transitional shelter communities

Analysis: Transitional shelter communities provide safe and sanitary shelter for residents to use while they become self-sufficient and prepare to move into stable, long-term housing. Currently the ZDO does not directly address this type of shelter/housing. However, similar to strategy O-1, transitional shelter communities could be developed as a government use through a conditional use process. Developing this type of housing in an area that allows multifamily development, subject to the underlying zoning density and a design review process, is unlikely due to market pressures for existing multifamily residential districts.

In 2017, the Board of Commissioners approved a temporary amendment to the ZDO to specifically allow for transitional shelter communities in industrial zones on government-owned properties. These regulations, previously included in ZDO Section 842, expired August 28, 2019, and resulted in the development of only one such community – the Clackamas County Veterans Village. The Long-Range Planning Work Program includes considering ZDO amendments to include transitional shelter community regulations, similar to what previously existed. The Task Force also recommended, in relation to “shelter off the streets” (see O-1), that additional provisions be included in the ZDO to specifically allow for the development of transitional shelters.

Transitional shelter communities are not multifamily housing and should have different standards, as these types of communities could address an immediate need while providing a longer-term solution for many people as they attempt to transition out of homelessness.

Based on the preliminary equity assessment, this strategy is anticipated to provide only a few new housing units, but would likely provide substantial stability and access to housing. Access and stability for those in the community would be positively affected through programs offered by H3S or non-profit partners. The people served by the transitional shelter communities have already been displaced due to affordability, access or other reasons, so a reduction of displacement pressures is not anticipated through this strategy. However, there appears to be an immediate need for

transitional housing, this was a Tier One recommendation by the Task Force and there has already been a lot of work done around this issue.

Staff recommendation: Include in Phase I of the DTD Housing Strategies project.

O-4. Consider providing a tiered density bonus for inclusion of affordable housing and creating a transferrable development rights bonus system

a. Density bonus:

Analysis: The county's current ZDO provides a small density bonus for developing affordable housing units in most urban residential zones. This bonus is rarely, if ever, used. The Task Force recommended providing a realistic financial incentive, through a tiered density bonus system, for developing affordable housing units in all residential and commercial zones that allow residential units, and included this recommendation in Tier One.

Based on the preliminary equity assessment, this strategy would provide a moderate amount of places for development of new housing units. Since the goal is to increase the bonus to improve its efficacy, it would be used more often. The impact on displacement is unknown. The people served by a density bonus for new developments would be moving from other locations so there could be a limited reduction to displacement. However, this strategy would provide more affordable units in locations that are currently experiencing displacement because of rising housing costs, and could open up units for the lowest income households, which would reduce competition for available housing for low- to moderate-income households. Therefore, while the density bonus may not reduce displacement of current residents, it would likely reduce long-term displacement and improve overall stability for communities of concern. There is an immediate need for affordable housing, equity related to housing is positively impacted by this strategy and the Task Force identified this as a Tier One recommendation.

Staff recommendation: Include in Phase I of the DTD Housing Strategies project.

b. Transferrable development rights:

Analysis: Transfer of development rights (TDR) is a voluntary, market-driven growth management tool that permits higher density development in zoning districts designated as receiving areas in exchange for land or resource preservation through requiring less dense development in zoning districts designated as sending areas¹⁴. Under TDR, a city or county establishes baseline development rights for both sending and receiving areas. To exceed these baseline development limits, owners in receiving areas must purchase unused development rights from owners in sending areas. The need for, and practicality of, creating a transferrable development rights bonus system will be informed by amendments made through other housing strategies, including potentially increasing density for multifamily developments in commercial zoning districts, potentially creating a scaled bonus density program for affordable housing and implementing HB 2001. Once those strategies are implemented, the need for a transferrable development rights bonus system can be adequately assessed to determine if there are appropriate zones to include in the program.

¹⁴ American Planning Association 2018. PAS QuickNotes No. 74.

Staff recommendation: Evaluate in Phase III of the DTD Housing Strategies project.

O-5. Consider increasing or removing maximum density requirements for multifamily developments in commercial zoning districts

Analysis: In most commercial zoning districts that allow multifamily housing, the county's ZDO limits density to 25 units per acre. The Task Force recommended increasing or removing the maximum allowable housing density in commercial zones to be comparable to the allowed density of commercial development, implying that there would be a benefit to allow the size or intensity of the development to be the same regardless of whether it is multifamily housing, mixed-use, office buildings or other commercial use.

Based on recent developer inquiries and the fact that the HNA found an extremely limited supply of multifamily zoned land available in the urban unincorporated area, it is anticipated that increasing density could substantially increase the number of new multifamily housing developments in commercial zoning districts. Increasing the number of housing units close to commercial areas and employment centers would substantially improve access to housing by increasing availability and proximity to services. Increasing density would have a moderate affect on stability and displacement; any effect would be largely dependent on whether new affordable or market-rate units were built.

The Planning & Zoning Division has two grant-funded projects underway – Park Avenue Community Project and 82nd Avenue Corridor Project – that include consideration of providing additional housing opportunities in or near commercial areas. These projects provide a good opportunity to leverage the available grant funding to consider this strategy within the project areas, and ultimately to consider if the findings and recommendations for those project areas are applicable countywide.

Staff recommendation: Include in Phase I of the DTD Housing Strategies Project, with the understanding that it will first be considered only in the specific areas of the county impacted by the two grant-funded projects and then possibly applied elsewhere.

O-6. Consider creating a hierarchy of minimum parking standards based on proximity to transit and/or dwelling unit affordability

Analysis: Constructing required parking can be a significant cost for multifamily housing developments, thereby driving up the cost of rent. The county's ZDO has one parking standard (number of spaces required per dwelling unit) for all multifamily developments, regardless of location or rent levels/affordability, and very limited potential to obtain a variance. As a Tier One priority, the Task Force recommended changing parking standards to allow fewer parking spaces per unit when the development is near a high-capacity transit station or when the development is serving households with extremely low income, as long as the available data on tenant car ownership support such a reduction.

Based on the preliminary equity assessment, modifying parking standards may provide a substantial number of new housing opportunities and improve access to housing by allowing smaller lots close to transit, or those developed with affordable units, to have higher density, and by allowing other sites to maximize density with surface parking rather than having to build expensive structured parking. This strategy may have a moderate impact on stability of current residents and a

moderate impact on reducing displacement; any effect would be largely dependent on whether affordable or market-rate units were built.

The two previously mentioned grant-funded planning projects provide a good opportunity to leverage the grant funding already available to consider this strategy within those project areas, and ultimately consider if the findings and recommendations for those project areas are applicable countywide.

Staff recommendation: Include in Phase I of the DTD Housing Strategies Project, with the understanding that it will first be considered only in the specific areas of the county impacted by the two grant-funded projects and then possibly applied elsewhere.

O-7. Consider rezoning land to preserve manufactured dwelling parks

Analysis: The ECONorthwest report (ECO 2019¹⁵) identified 6,000 spaces in manufactured dwelling parks in the county that serve very low to medium income households. In an effort to disincentivize the conversion of manufactured dwelling parks to other uses, in 2007 the state law changed to require a relocation plan and the payment of a rental agreement termination fee for each tenant. At the time, jurisdictions had a window of time in which to adopt the fees in state law or adopt higher fees for the payment to each tenant. Clackamas County adopted the higher fees, which are reflected in Section 825 of the ZDO. Staff is aware of only two park conversions since then that may have triggered the relocation plan and payments. The Long-Range Planning Work Program calls for the housing strategies to include the consideration of restricting manufactured dwelling parks from being redeveloped with a different use. Rezoning land with a manufactured dwelling park overlay, similar to what has been done for some parks in Portland, is one potential regulatory tool to consider. This strategy is anticipated to require a significant amount of staff time to conduct research, review Portland's experience with code development and implementation, and engage the public and manufactured dwelling park owners in order to develop appropriate regulations.

Based on the preliminary equity assessment, preserving existing manufactured dwelling parks would not increase the number of housing units or improve access to housing. However, there would be greater stability and a reduced potential for displacement for current residents in these parks. Although staff understands and agrees that manufactured dwelling parks are a valuable source of naturally-occurring affordable housing, time is needed to assess the impacts and successes of Portland's manufactured dwelling park codes, and to really understand how much redevelopment pressure there is in the county given the lack of redevelopment activity since the financial disincentive was adopted.

Staff recommendation: Consider in Phase III of the DTD Housing Strategies Project.

O-8. Explore opportunities for permitting additional housing types, such as micro-units, co-housing, live/work units, and mixed use development

Definitions:

¹⁵ ECONorthwest 2019. Exploring the Factors that Drive Displacement Risk in Unincorporated Clackamas County: With a Special Look at Manufactured Housing Communities.

- Micro-units could be micro-apartments that are self-contained with a kitchen, bathroom, sleeping and other necessities in a unit of 200 to 400 square feet (Buildium 2019¹⁶), or they could be single-room occupancy with a shared kitchen in a detached dwelling.
- Live/work units offer a single unit (e.g., studio, loft or one bedroom) consisting of both a commercial/office and a residential component occupied by the same resident (Sunnyvale Municipal Code¹⁷).
- Co-housing, which is less well-defined, could include anything from detached single-family homes to several small multifamily units clustered around shared space and common facilities such as a community kitchen and dining area.
- Mixed-use combines a mix of uses located within a single building, such as retail on the first floor and residential or office uses on the upper floors (ZDO Section 202).

Analysis: Increasing the opportunities for these types of units was included as a Tier Two recommendation by the Task Force.

In order to understand how these and possibly other less conventional housing types are addressed – or not addressed – in the ZDO, we would need to create a clear definition of each. Depending on the definition, many of these unit types would likely be allowed currently in commercial or multifamily zones, but consideration could be given for allowing smaller units at a higher density than larger, more traditional units.

Based on the preliminary equity assessment, we expect that this strategy would create a limited number of places for new housing units and could moderately improve access to housing by increasing the proximity of housing to commercial and employment centers (if additional housing types were allowed in commercial zones). Increasing housing opportunity at a potentially lower price point could help reduce general displacement from the neighborhood/area. However, the development will be market driven and the price for renting, or owning, the developed units may not be affordable to those making less than the median area income and may ultimately increase property values in the neighborhood, thus leading to displacement. Therefore, impact related to displacement is unknown. This strategy would likely require a substantial amount of staff time and outreach to understand what the desired outcome is and to create the initial scope of work. More time is needed to allow staff to properly engage agency and community partners to ensure the strategy and the less conventional housing types will meet the needs of the community.

Staff recommendation: Include in Phase III of the DTD Housing Strategies project.

O-9. Clarify Comprehensive Plan policies for rezoning in low density residential districts

Analysis: This strategy would include Comprehensive Plan text amendments to clarify zone change policies and potentially restrict zone changes in urban low density residential areas. It was included as H-1C in the Long-Range Planning Work Program in part due to a request from the community and in part due to a 2015 decision from the Land Use Board of Appeals (LUBA) that effectively changed the way the low density residential zone change policies are evaluated when considering an application for a zone change from one urban single-family residential zone to another (e.g., R-10 to R-8.5). Based on that LUBA decision, it became apparent to staff that the relevant

¹⁶ Buildium, <https://www.buildium.com/blog/micro-apartments-1/> accessed 12/12/2019.

¹⁷ Sunnyvale Municipal Code: https://qcode.us/codes/sunnyvale/view.php?topic=19-3-19_26-19_26_230, accessed 12/12/2019.

Comprehensive Plan policies need to be evaluated and potentially changed to provide more clarity and ensure they are consistent with other low density residential goals and policies. In addition, there was a request from the community to consider policies that would increase the difficulty of or prohibit rezoning low density residential properties to allow for higher density. The community may perceive that this issue has new urgency following implementation of HB 2001 because a duplex will be allowed on any urban single-family zoned lot, regardless of lot size or zoned density.

Based on the preliminary equity assessment, this strategy would provide a limited amount of places for development of new housing units. There is also limited impact on access, stability and displacement. This strategy will require a substantial amount of staff time and public outreach. The most efficient use of staff time to accomplish this task would be to do this work in conjunction with the required changes to the Comprehensive Plan and ZDO as discussed in R-1 and R-2, above.

Staff recommendation: Include in Phase II and complete in conjunction with R-1 and R-2.

O-10. Restrict Temporary Dwellings for Care

Analysis: During the 2019-21 Long Range Planning Work program development, the Eagle Creek Barton CPO requested that the following two amendments to the ZDO be considered:

- Section 1201; allowing additional housing for Temporary Care for only property owners or heritage landowners.
- Remove Temporary care dwellings before title change or sale.

Temporary dwellings for care are manufactured dwellings or recreational vehicles to be occupied by a person receiving care from, or providing care to, an occupant of the permanent dwelling on the same lot. Placing a temporary dwelling for care requires a Type II land use application permit, which is not transferable when the property is sold or conveyed to another party. However, a new care recipient may seek approval of a new temporary permit, which, if granted, allows the temporary dwelling to remain on the property. The temporary dwelling for care must be removed from the property when the need for care ceases or the permit expires. The county may lack the authority to hold up the sale of property until a temporary dwelling is removed, as proposed by the CPO. Comprehensive Plan policy 6.A.7 states: "Encourage a wide range of housing alternatives for the elderly or handicapped". A temporary dwelling for care is one tool used to implement this policy. Restricting who can apply for this permit may be inconsistent with this policy and the purpose of the DTD Housing Strategies project to identify *more* opportunities for housing. This strategy would be expected to reduce the number of housing units, reduce access to and stability of housing, and increase the potential for the displacement of elderly and disabled residents.

Staff recommendation: Do not include in the DTD Housing Strategies project.

RECOMMENDATIONS

1. Order for Review and Action. Considering the above analysis and the overview of that analysis in Appendix B, staff recommends the following order for review and action related to the DTD Housing Strategies.

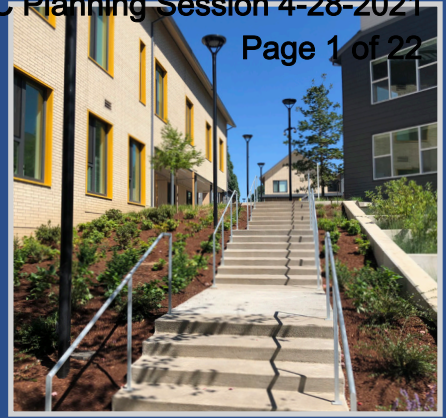
Recommended Order of Review and Action for DTD Housing Strategies		
Phase I	O-3	Consider permanent regulations to allow transitional shelter communities
	O-4 (a)	Consider providing a tiered density bonus for inclusion of affordable housing
	O-5	Consider increasing or removing maximum density requirements for multifamily developments in commercial zoning districts
	O-6	Consider creating a hierarchy of minimum parking standards based on proximity to transit and/or dwelling unit affordability
Phase II	R-1	Modify the ZDO to have clear and objective criteria for all housing (per SB 1051[2017])
	O-9	Clarify Comprehensive Plan policies for rezoning in low density residential districts
	R-2	Allow duplexes, triplexes, quadplexes, cluster cottages and townhouses in urban single-family zones (per HB 2001[2019])
Phase III	O-2	Review potential to add housing to schools, places of worship and church-owned property
	O-4 (b)	Consider creating a transferrable development rights bonus system
	O-7	Consider rezoning land to preserve manufactured dwelling parks
	O-8	Explore opportunities for permitting additional housing types, such as micro-units, co-housing, live/work units, and mixed use development
Do not include	O-1	Identify appropriate areas and processes to allow “shelter off the streets”
	O-10	Restrict Temporary Dwellings for Care

2. Work Plan Approach

- A. Lead with an equity lens, as recommended by the Housing Affordability and Homelessness Task Force, by providing for meaningful opportunities for engagement and involvement of historically marginalized communities. Various methods of engagement will be used during the project, and a full public engagement plan will be developed as the project gets underway. It will be important to receive input and guidance from the diverse communities in the county to understand the effects of land use regulations related to equity. In addition, equity metrics developed through engagement with historically marginalized communities can measure project success. As the final recommendations are developed, they should be reviewed through the lens of housing access, housing stability and potential displacement of historically marginalized communities.

- B. Begin the DTD Housing Strategies project by updating the Comprehensive Plan housing goals to reflect the findings of the HNA and state requirements. During the course of the project, the housing chapter will be updated to reflect new data and address current and future housing needs through 2039. The HNA will be used as the foundation for updates to the sections on issues, conclusions and goals. In addition, it will be essential to develop recommended changes to the ZDO to ensure housing developments have a clear and objective regulatory pathway.

	Winter/Spring 2020	Summer/Fall 2020	Winter /Spring 2021	Summer/Fall 2021
Public Engagement				
Phase I – DTD Strategy review and recommendation				
Phase II – DTD Strategy review and recommendation				
Phase III – Reassess approach for Phase III DTD Strategies				



Clackamas County Regional Housing Needs Analysis

Urban Unincorporated, Rural Unincorporated, and
Selected Cities within Clackamas County

Final Summary Report
SEPTEMBER 2019

Acknowledgments

ECONorthwest prepared this report for Clackamas County. ECONorthwest and County staff thank those who helped develop the Clackamas County Regional Housing Needs Analysis. This project is partially funded by Oregon general fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views or policies of the State of Oregon.

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Key Findings

The Clackamas County Housing Needs Analysis was developed to support the work of the Clackamas County Coordinating Committee (C4) and the Clackamas County Affordable Housing and Homelessness Policy Task Force. The Housing Needs Analysis presents data and analysis about housing affordability, changes in demographics, changes in the housing market, land supply, and other factors contributing to issues of housing affordability in the County.

- **Clackamas County is growing.** Since 2000, the County grew by 56,576 people (14%), 22,949 households (15%), and 24,051 dwelling units (18%).
- **Demographics are changing across Clackamas County and the State.** The largest age groups are the Baby Boomers and the Millennials. Growth of these groups is driving a need for smaller units to accommodate the increasing number of one- and two-person Baby Boomer households and Millennial (and younger) households that will have growing families over the next 20 years.
- **Housing stock across the county remained predominately single-family detached.** As of 2012-2016, the County's housing mix was 76% single-family detached, 20% multifamily, and 4% single-family attached (e.g. townhomes). Metro requires urban areas of Clackamas County and the cities within the Metro Urban Growth Boundary to plan for at least 50% of its housing stock to be multifamily or single-family attached. Clackamas County and most of the cities within the County will need to plan for a wider variety of housing types over the next 20 years.
- **Housing affordability is a growing concern across the County and across the Portland Region.** Clackamas County's median household income was \$68,915 in 2012-2016 – about \$17,235 (33%) more than it was in 2000. Despite growing incomes, rates of cost-burdened households have increased faster. In 2000, the median home value was 3.7 times the median household income. By 2012-2016, the median home value is 4.6 times the median household income.
- **A growing number of households are paying more than they can afford for housing.** In 2000, 26% of households were cost burdened and by 2012-2016, 34% of households were cost burdened. Renters struggle with housing affordability in particular. As of 2012-2016, 49% of renters were cost burdened, up from 39% in 2000.
- **Housing prices are continuing to increase.** From February 2015 to February 2019, the median sales price grew by \$136,655 (46%), to a median of about \$435,000.
- **Rental costs are also increasing.** According to data from CoStar, multifamily rent in Clackamas County increased from an average of \$855 in 2010 to \$1,255 in 2018, an increase of nearly \$400 or 47%.

The changes in demographics and increases in housing costs are driving need for more diverse housing types, including smaller single-family detached units, cottage housing, duplexes, triplexes, quad-plexes, townhouses, and all types of multifamily housing.



Clackamas County is growing!

From 2000 to 2012-2016, Clackamas County increased by 56,576 people (14%), 22,949 households (15%), and 24,051 dwelling units (18%).



INTRODUCTION

Introduction

Clackamas County embarked on discussions about housing affordability and approaches to foster the maintenance and development of affordable housing for all income levels. The Clackamas County Board of Commissioners formed the Clackamas County Affordable Housing and Homelessness Policy Task Force to research, recommend, and support new policies and strategies to address housing affordability and homelessness in Clackamas County.

The products of the Clackamas County HNA are:

- **Clackamas County Housing Needs Analysis report.** The report presents information about buildable lands, demand for new housing, and housing affordability for unincorporated Clackamas County and participating cities (as described on the next page of this summary). The focus is on growth in Clackamas County and its cities over the 2019-2039 period. This report is nearly 500 pages long and presents extensive technical information about housing needs and residential land capacity.
- **Summary Report of Clackamas County Housing Needs Analysis.** The Summary Report, which you are reading, focuses on issues of changing demographics and housing affordability for unincorporated Clackamas County and participating cities within the county.

Clackamas County, with support from the Department of Land Conservation and Development and cities within the County, contracted with ECONorthwest to develop the HNA. The report is intended to support the work of the Task Force by presenting data and analysis about housing affordability, changes in demographics, changes in the housing market, land supply, and other factors contributing to issues of housing affordability.

The focus of the HNA is on unincorporated Clackamas County, both areas within the Metro Urban Growth Boundary (UGB) and areas outside of any city's UGB. The full HNA technical report presents extensive information about land sufficiency for unincorporated areas in Clackamas County, with emphasis on Clackamas County's unincorporated areas within the Metro UGB. The map on the following page describes the geographies used in this analysis.

In addition, the HNA presents baseline housing needs analyses for participating cities in Clackamas County. The baseline housing needs analyses present assessments of housing needs and whether the cities can accommodate growth on existing lands in their UGB under current policies. The baseline HNAs are intended to provide information for future discussions of housing needs in the cities. They do not reflect potential changes in policies resulting from additional understanding of the conditions of the local housing market.

This report summarizes the results of the full HNA. It focuses on issues most directly related to meeting housing needs of current and new residents: changes in demographics and housing preferences, changes in the housing market, housing affordability, and a summary of land sufficiency. This report presents information for Clackamas County and all of the cities in the County, regardless of whether they participated in the full HNA.

Unless otherwise specified, the source for data presented in this report is the U.S. Census American Community Survey.

The Clackamas County HNA provides information to help the County and cities meet the requirements of Goal 10 to provide opportunities for development of housing that meets the needs of households at all income levels.

The Clackamas County HNA presents a full, adoption-ready housing needs analysis for Urban Unincorporated Clackamas County.

The HNA presents a baseline housing needs analysis within the context of current policies for participating cities to support local discussions of housing needs.

Geographies used in this analysis

In the HNA report, ECONorthwest conducted baseline HNA's for participating cities including the cities of: **Estacada, Gladstone, Happy Valley, Molalla, Oregon City, West Linn, and Wilsonville.**

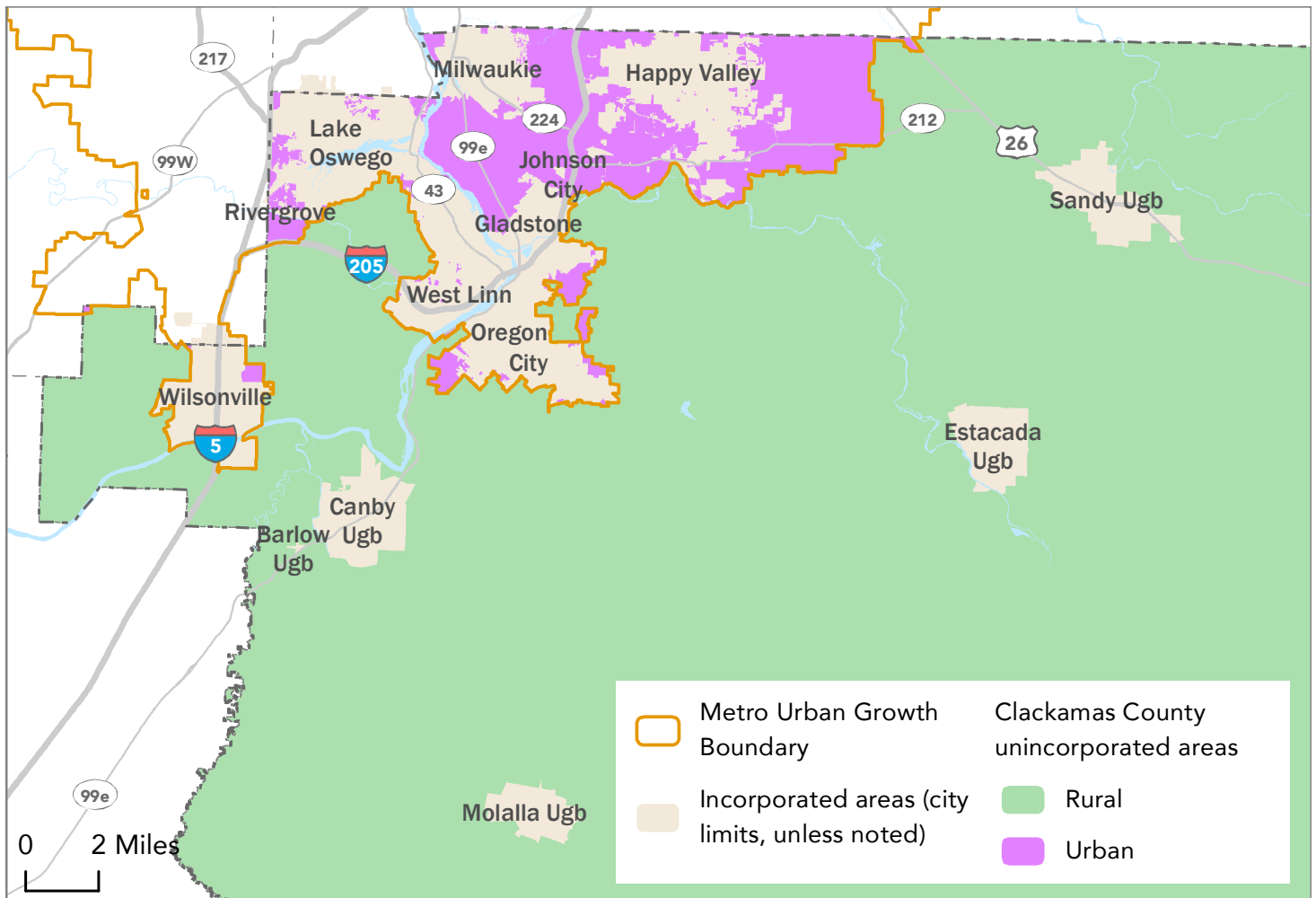
The full Clackamas County Housing Needs Analysis focused on Urban Unincorporated Clackamas County (unincorporated areas within Metro's UGB) and Rural Unincorporated Clackamas County (unincorporated areas outside of any city's UGB). This analysis focused on growth and land sufficiency in these unincorporated areas of the County, determining whether the County has sufficient land to accommodate expected growth in unincorporated areas.

Other cities within Clackamas County did not participate in the HNA. While this Summary presents information about these cities, the full HNA report does not present a baseline HNA for the non-participating cities.

The HNA considered housing needs in Clackamas County as a whole, presenting data for each of the cities in the County: Barlow, Canby, Estacada, Gladstone, Happy Valley, Johnson City, Lake Oswego, Milwaukie, Molalla, Oregon City, Rivergrove, Sandy, West Linn, and Wilsonville.

GEOGRAPHIES USED IN THE ANALYSIS

Source: ECONorthwest.



Factors Affecting Housing Need



Studies and data analysis have shown a clear linkage between demographic characteristics and housing choice, as shown in the exhibit below.

KEY RELATIONSHIPS INCLUDE:

- Housing needs change over a person's lifetime.
- Homeownership rates increase as income increases.
- Homeownership rates increase as age increases.
- Choice of single-family detached housing increases as income increases.
- Renters are much more likely to choose multifamily housing than single-family housing.
- Income is a strong determinant of homeownership and housing-type choice for all age categories.

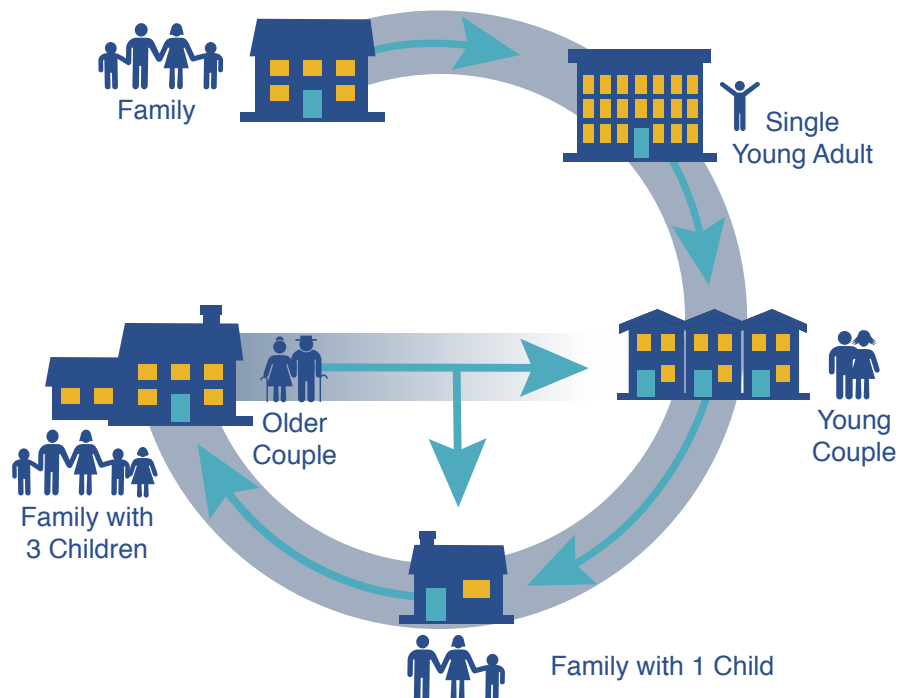
Population and housing characteristics are useful for better understanding the residents of Clackamas County. Population growth, age of residents, household size and composition, and home ownership provide useful context about how the characteristics of Clackamas' households compare to the Portland Region (Clackamas, Washington, and Multnomah counties combined) and Oregon. Unless otherwise noted, all data in this document are from the U.S. Census 2012-2016 American Community Survey.

The HNA focuses on key determinants of housing choice: income, age, and household composition.

As the adults in households age, income generally increases and their household composition changes. Incomes generally increase until retirement, allowing households to afford to spend more on housing as they age. At the same time, household composition changes, generally with addition of children for younger households and departure of children for older households. The changes in these three factors illustrate the housing life cycle that most households experience in one form or another.

HOUSING LIFE CYCLE

Source: ECONorthwest.



POPULATION, 2017

Source: Portland State University, Population Research Center

413,000
 Clackamas County

1,811,860
 Portland Region

4,141,100
 Oregon

Growth in population drives growth in housing.

Clackamas County population is growing at about the same rate as the Portland Region and the State, adding nearly 140,600 people between 1990-2017. About 57% of Clackamas County's growth was the result of people moving into Clackamas County from another part of Oregon, the U.S., or from outside of the U.S.

AVERAGE POPULATION GROWTH PER YEAR, 1990-2017

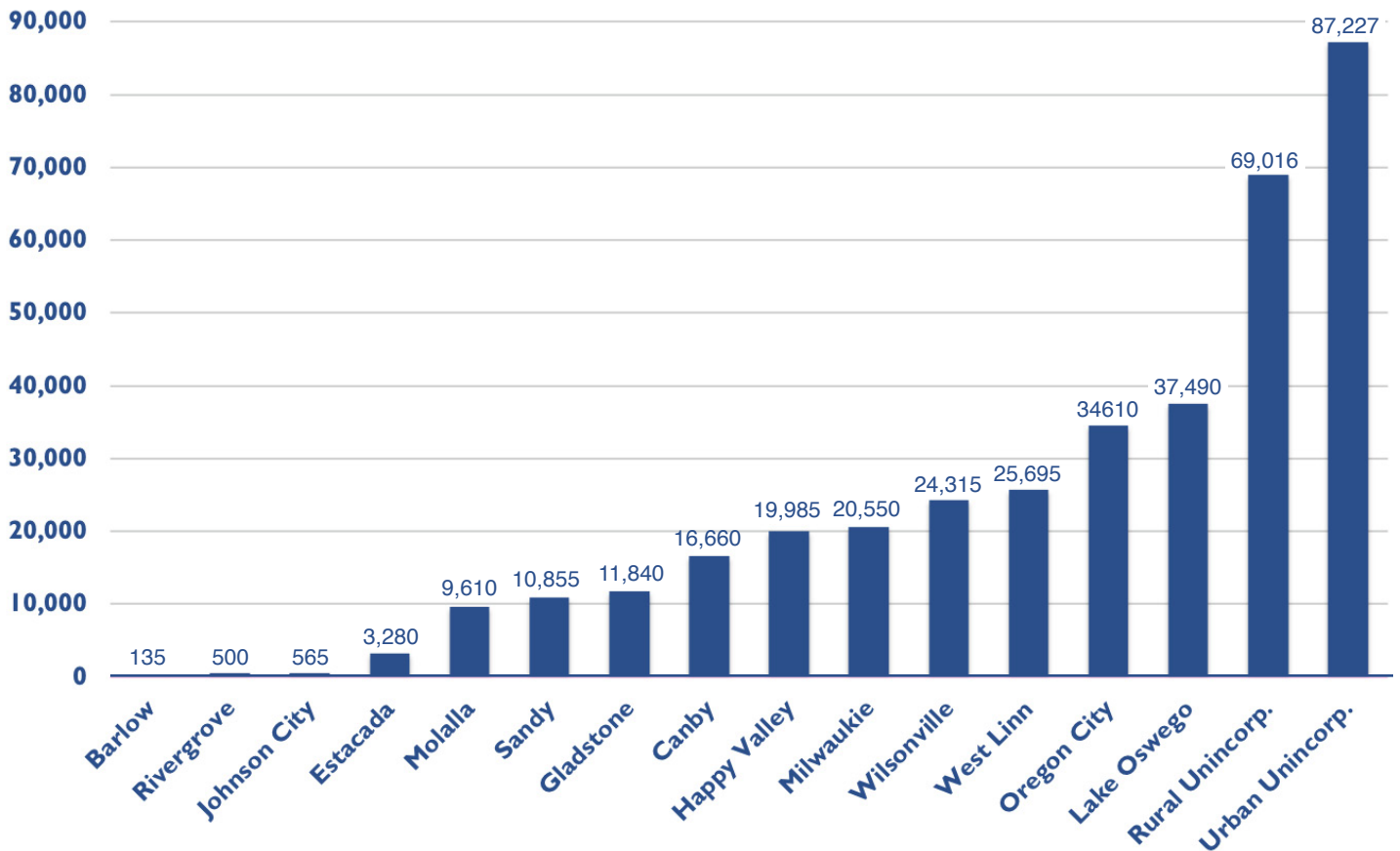
Source: Portland State University, Population Research Center

CLACKAMAS COUNTY	1.5%
PORTLAND REGION	1.6%
OREGON	1.4%

Population in urban unincorporated Clackamas County accounted for nearly 25% of the County's population and rural unincorporated Clackamas County accounted for nearly 19% of the County's population.

POPULATION BY GEOGRAPHY IN CLACKAMAS COUNTY, 2017

Source: Portland State University, Population Research Center (with the exception of Urban and Rural Unincorporated Clackamas County which used ACS 2012-2016 data).

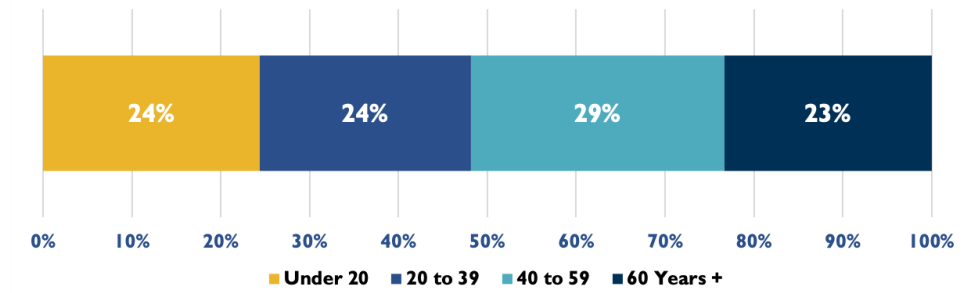


AGE DISTRIBUTION

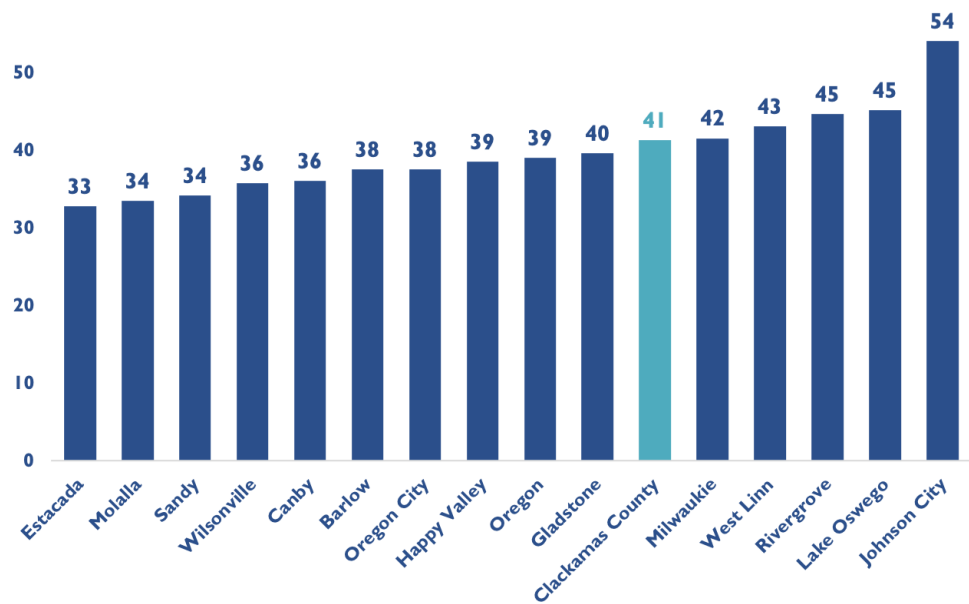
The population in Clackamas County is getting older, consistent with state and national trends.

The Millennial generation (born 1980 to 2000) accounts for about 24% of the population and the Baby Boomer generation (born 1946 to 1964) accounts for a bit more than 25% of the population in Clackamas County.

AGE STRUCTURE FOR CLACKAMAS COUNTY, 2012-2016



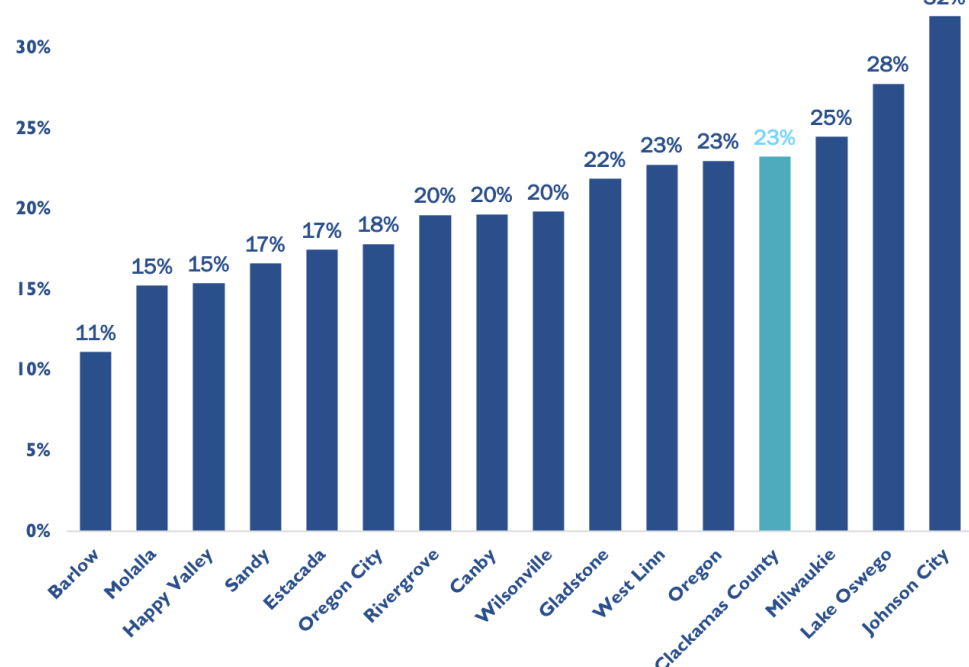
MEDIAN AGE, 2012-2016



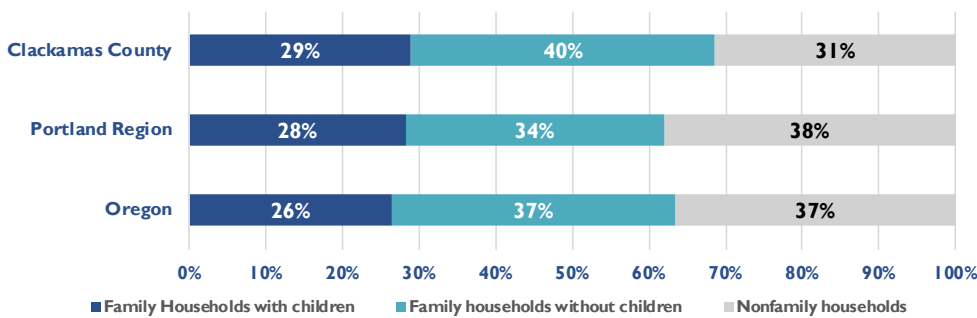
Changes in the age composition will result in changes in housing need.

Growth of households with people over 60 years old will drive need for smaller units for one- and two-person households and affordable to retirees. The Millennial generation and younger generations will form households over the next 20 years, driving need for housing large enough to accommodate families with children and affordable to younger households.

PERCENT POPULATION 60 YEARS AND OLDER, 2012-2016



HOUSEHOLD COMPOSITION, CLACKAMAS COUNTY, 2012-2016



Family Household with Children

2 or more related people with presence of children

Family Household with no Children

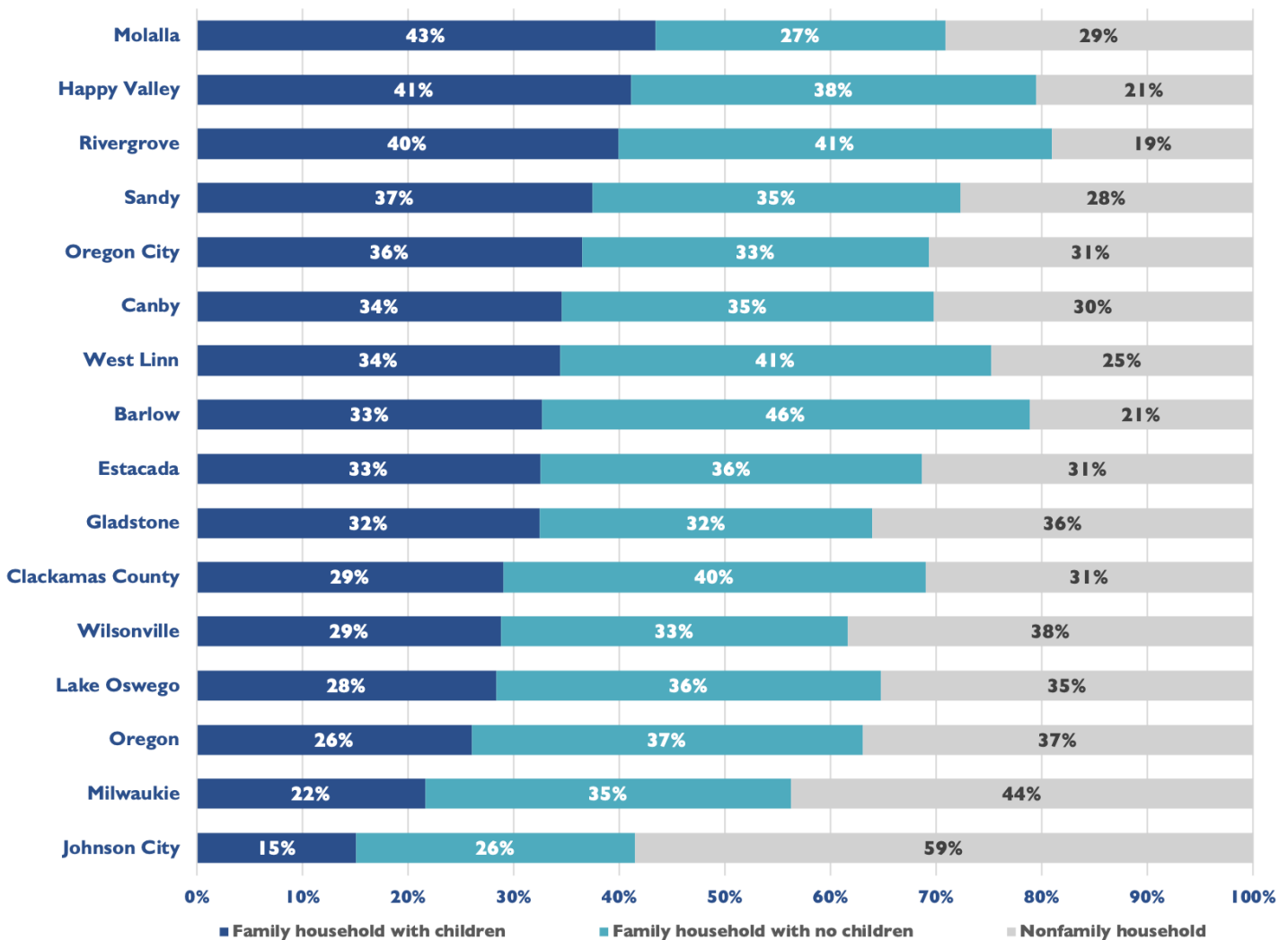
2 or more related people without presence of children

Non-family Households

Unrelated individuals or 1-person household

HOUSEHOLD COMPOSITION BY CITY IN CLACKAMAS COUNTY, 2012-2016

Clackamas County has higher share of family households with children when compared to the State average. Ten cities have higher than average share of family households with children than the County average.

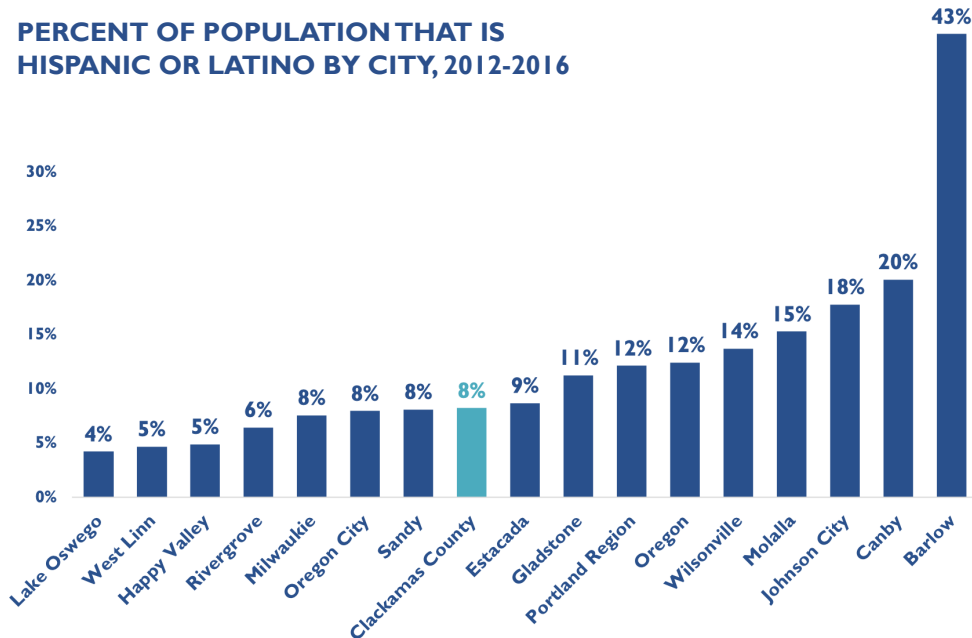


ETHNIC AND RACIAL DIVERSITY

Clackamas County is less ethnically diverse than the Portland Region and State.

Barlow and Canby are the most ethnically diverse cities in Clackamas County.

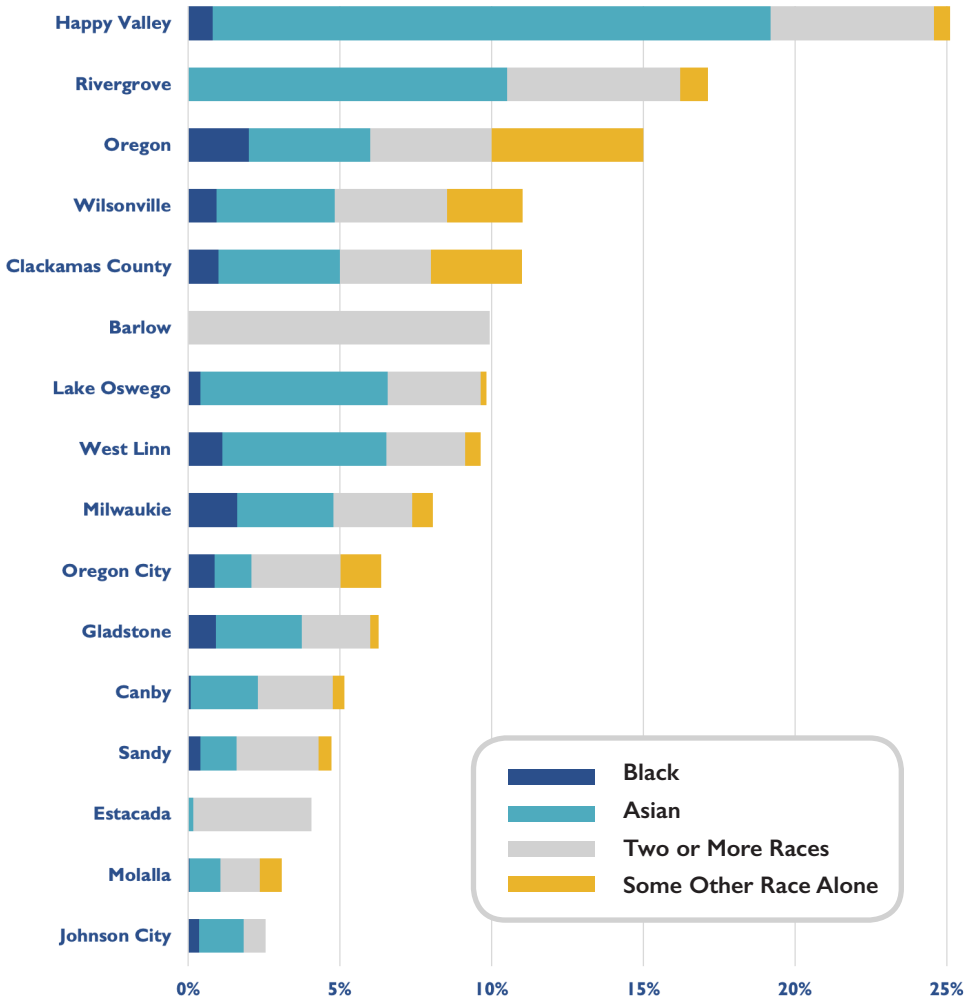
PERCENT OF POPULATION THAT IS HISPANIC OR LATINO BY CITY, 2012-2016



Clackamas County is less racially diverse when compared to the State average.

Happy Valley and Rivergrove are more racially diverse when compared to the State and County average.

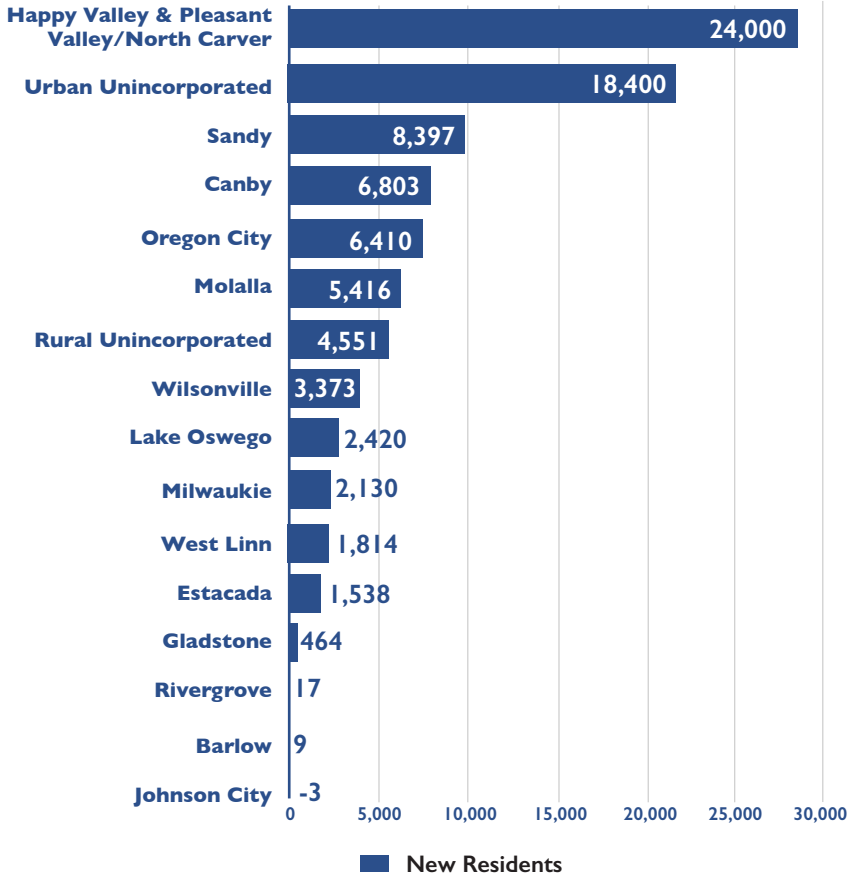
PERCENT OF POPULATION BY RACE, EXCLUDING WHITE ALONE BY CITY, 2012-2016



FORECAST OF POPULATION GROWTH FROM 2019-2039

POPULATION FORECAST GROWTH OF NEW RESIDENTS BY CITY, 2019-2039

Source: Portland State University, Population Research Center & Metro 2040 Household Distributed Forecast

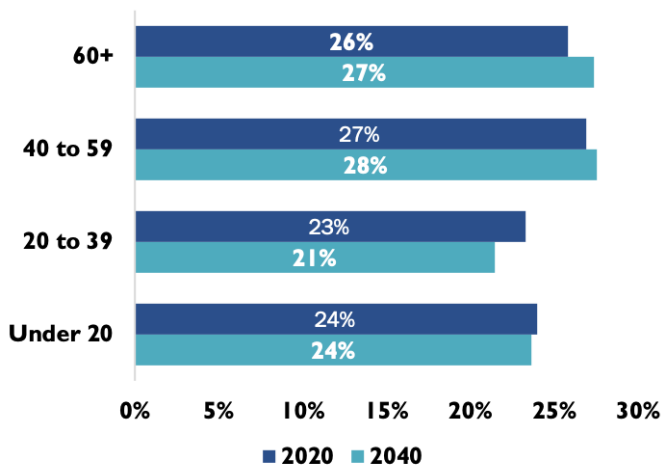


The areas with the largest forecast for population growth are:

Happy Valley (including Pleasant Valley/North Carver), Urban Unincorporated Clackamas County, and the City of Sandy. Johnson City is expected to decline by three people.

Estimate for Happy Valley and Pleasant Valley/North Carver is based on the forecast for new dwelling units in the area, assuming an average household size of 3.03 persons per household, consistent with Happy Valley's average household size from the Census' 2012-2016 American Community Survey.

PERCENT POPULATION AGE CHANGE FOR CLACKAMAS COUNTY, 2020-2040



People over 60 years old are forecast to grow faster than other age groups.

People age 60 and older are forecast to increase from 26% of the population to 27% of the population between 2020 and 2040.

HOUSING MARKET

Housing Market

Analysis of historical development trends in Clackamas County and its cities provides insights into how the local housing market functions in the context of the Portland Region. This report groups housing into the three housing types shown below.

A majority, about 75%, of Clackamas County's housing stock is single-family detached housing, more than the Portland region.



SINGLE-FAMILY DETACHED

(includes mobile and manufactured homes)



SINGLE-FAMILY ATTACHED

(Townhouses)

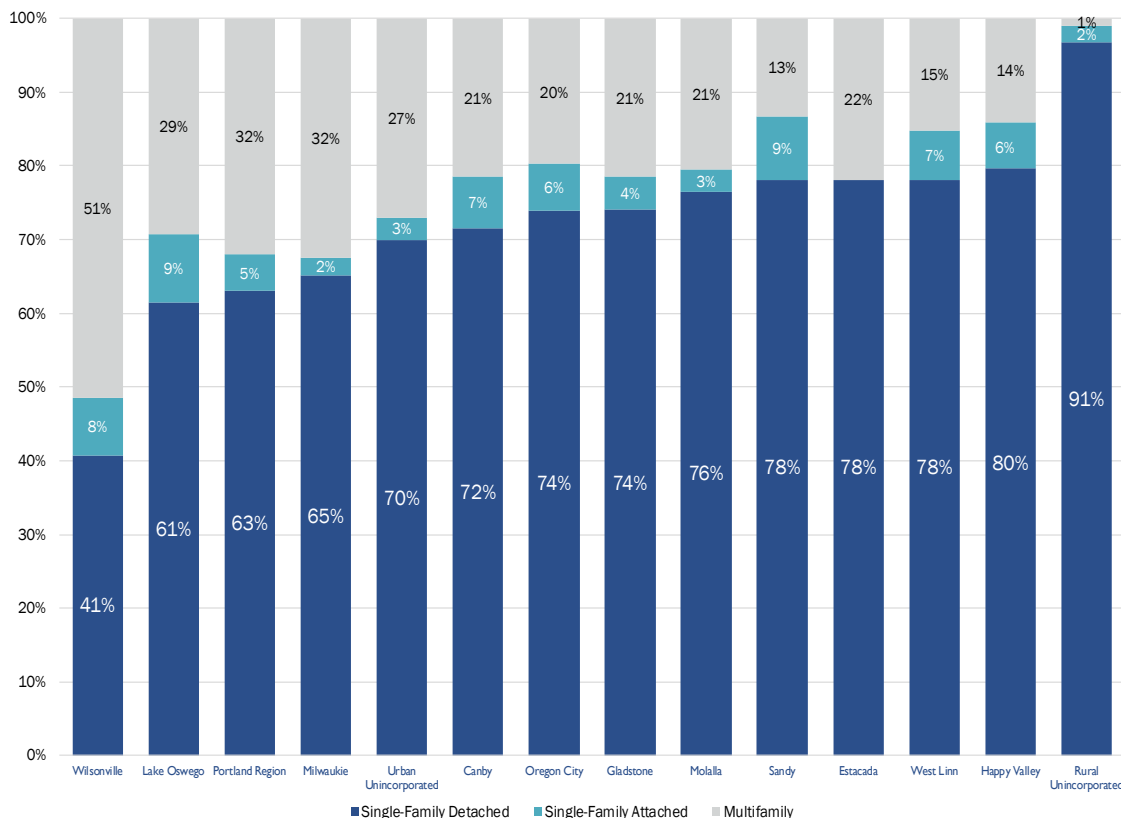


MULTI-FAMILY

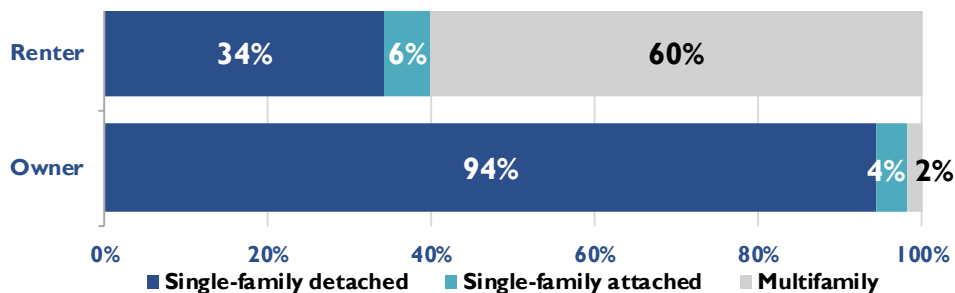
(Condos, apartments, duplexes)

MIX OF HOUSING TYPES BY CITY, 2012-2016

The majority of housing stock in all of the cities in the County is single-family detached housing, with the exception of Wilsonville's housing stock that is comprised of 41% single-family, 51% multifamily, and 8% single-family attached housing.



TENURE BY HOUSING TYPE, CLACKAMAS COUNTY, 2012-2016



Clackamas County's home ownership rates are higher when compared to the Portland Region.

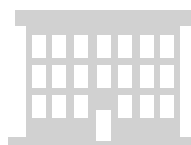
A majority of Clackamas County renters live in multifamily housing and most homeowners live in single-family detached housing.



SINGLE-FAMILY DETACHED



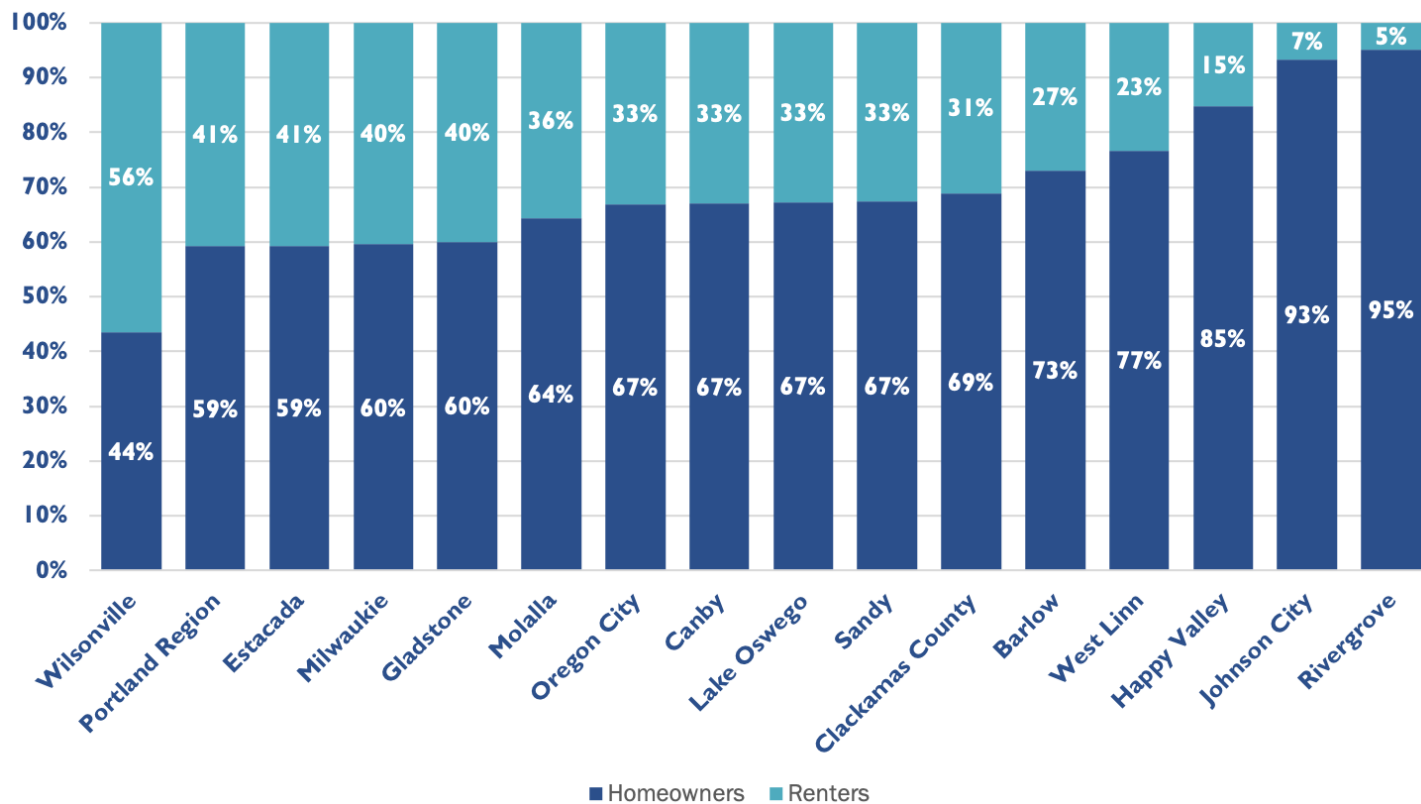
SINGLE-FAMILY ATTACHED



MULTI-FAMILY

HOMEOWNERSHIP RATES BY CITY, 2012-2016

Clackamas County's homeownership rates are higher when compared to the Portland region. Wilsonville has the lowest homeownership rate of about 44%.



HOUSING AFFORDABILITY

Housing Affordability

A household is considered cost burdened if they spend 30% or more of their gross income on housing costs.

A household is severely cost burdened if they spend 50% or more of their gross income on housing costs. Housing costs include rent and selected utilities or mortgage, interest, property taxes, and selected utilities.



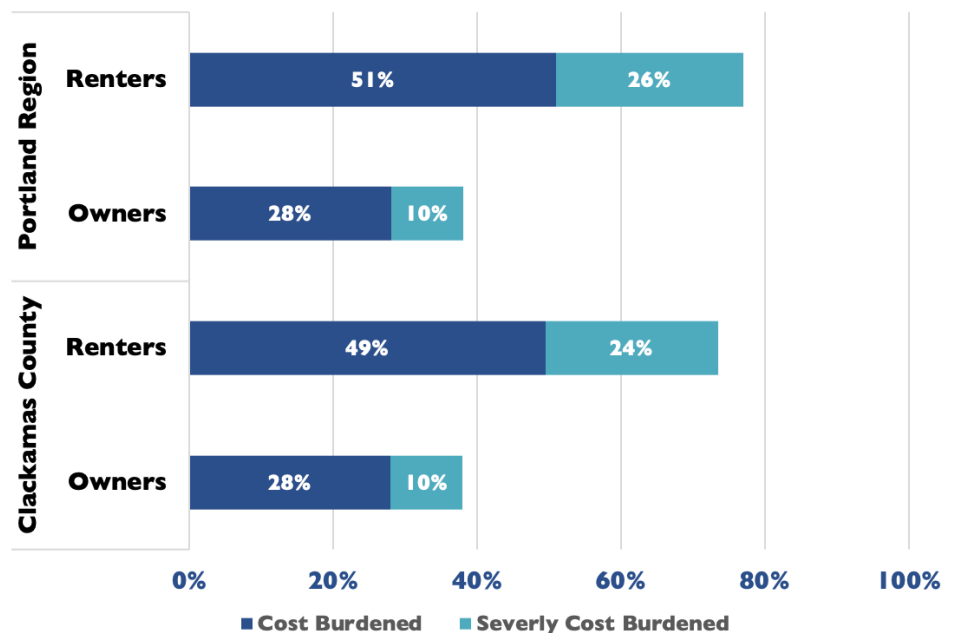
Renters are the most cost burdened.

Similar to the Portland region, more renter households are cost burdened and severely cost burdened than owner households in Clackamas County.

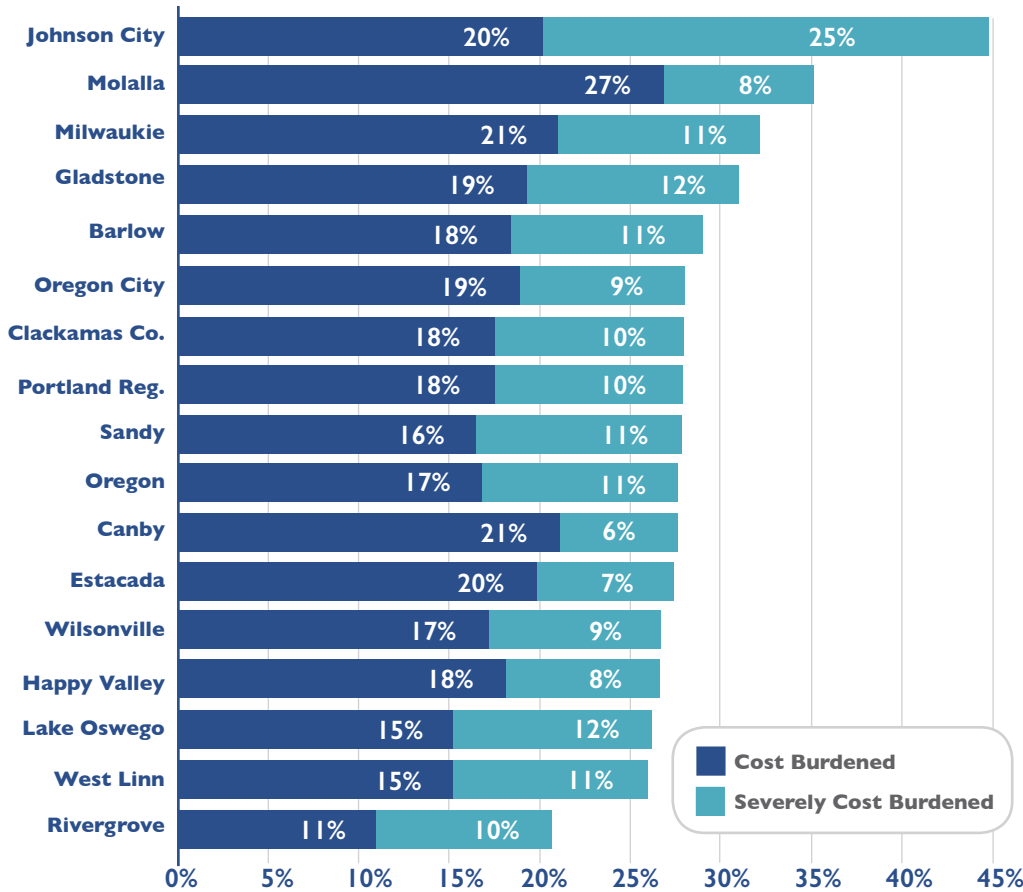
The term affordable housing refers to a household's ability to find housing within its financial means. Housing affordability affects both higher- and lower- income households and is an important issue for Clackamas County and the Portland region. Low-income households have fewer resources available to pay for housing and have the most difficulty finding affordable housing. Key points about affordability in Clackamas County:

- A household would need to have a combined income of about \$50,000 to afford the county's average multifamily rent of \$1,253. **About 35%** of the households in Clackamas County have income below this level.
- A household would need to have income of at least \$105,000 to afford the county's median sales price of a home of \$434,900. **About 70%** of Clackamas County's households have income below this level.
- Clackamas County currently has a deficit of thousands of housing units affordable to households earning between \$10,000 and \$35,000 per year. This results in many of these households living in housing they cannot afford.

PERCENT OF CLACKAMAS COUNTY'S HOUSEHOLDS THAT ARE COST BURDENED BY OWNERSHIP STATUS, 2012-2016



PERCENT OF CLACKAMAS COUNTY'S HOUSEHOLDS THAT ARE COST BURDENED BY CITY, 2012-2016

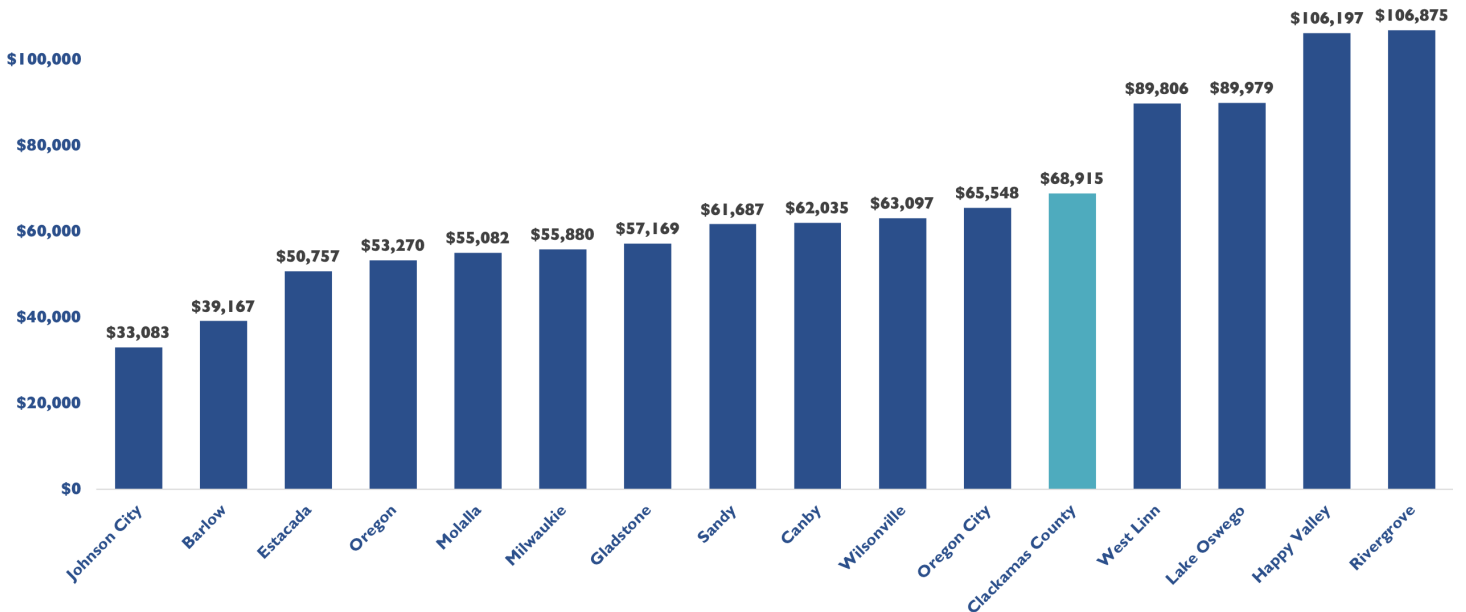


Gladstone, Milwaukie, Molalla, and Johnson City are the most cost burdened in the county.

Gladstone, Milwaukie, Molalla, and Johnson City have the greatest share of households that are cost burdened and severely cost burdened in Clackamas County that total more than 30% of all households in each city.

MEDIAN HOUSEHOLD INCOME, 2012-2016

Rivergrove, Happy Valley, Lake Oswego, and West Linn have higher median household incomes than the County average. Barlow and Johnson City have the lowest median household incomes.



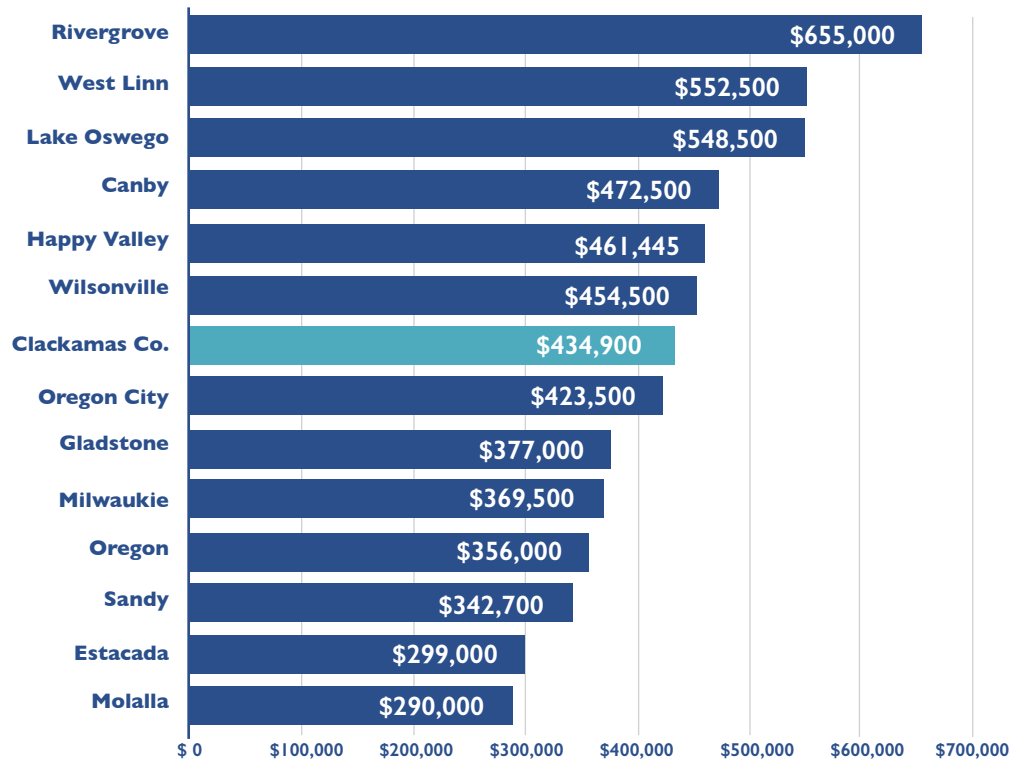
HOUSING AFFORDABILITY



Clackamas County has higher housing sales prices.

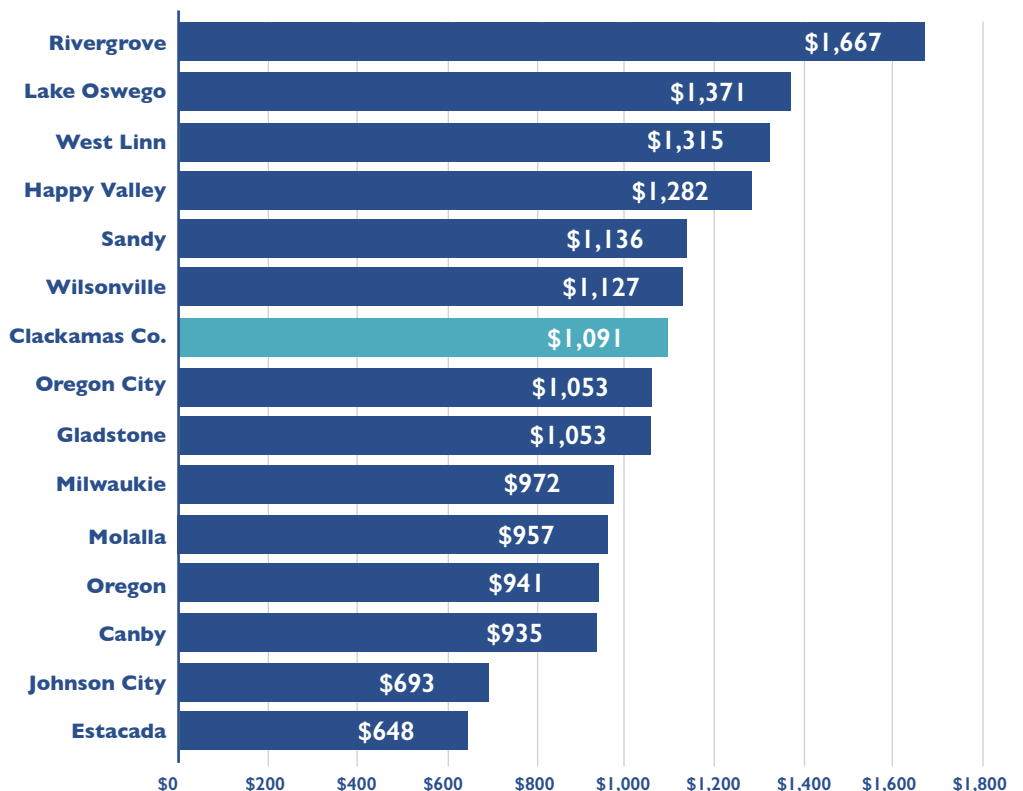
The cities with the highest sales prices are Rivergrove, West Linn, and Lake Oswego.

MEDIAN HOUSING SALES PRICE BY CITY, FEBRUARY 2019 Source: Zillow



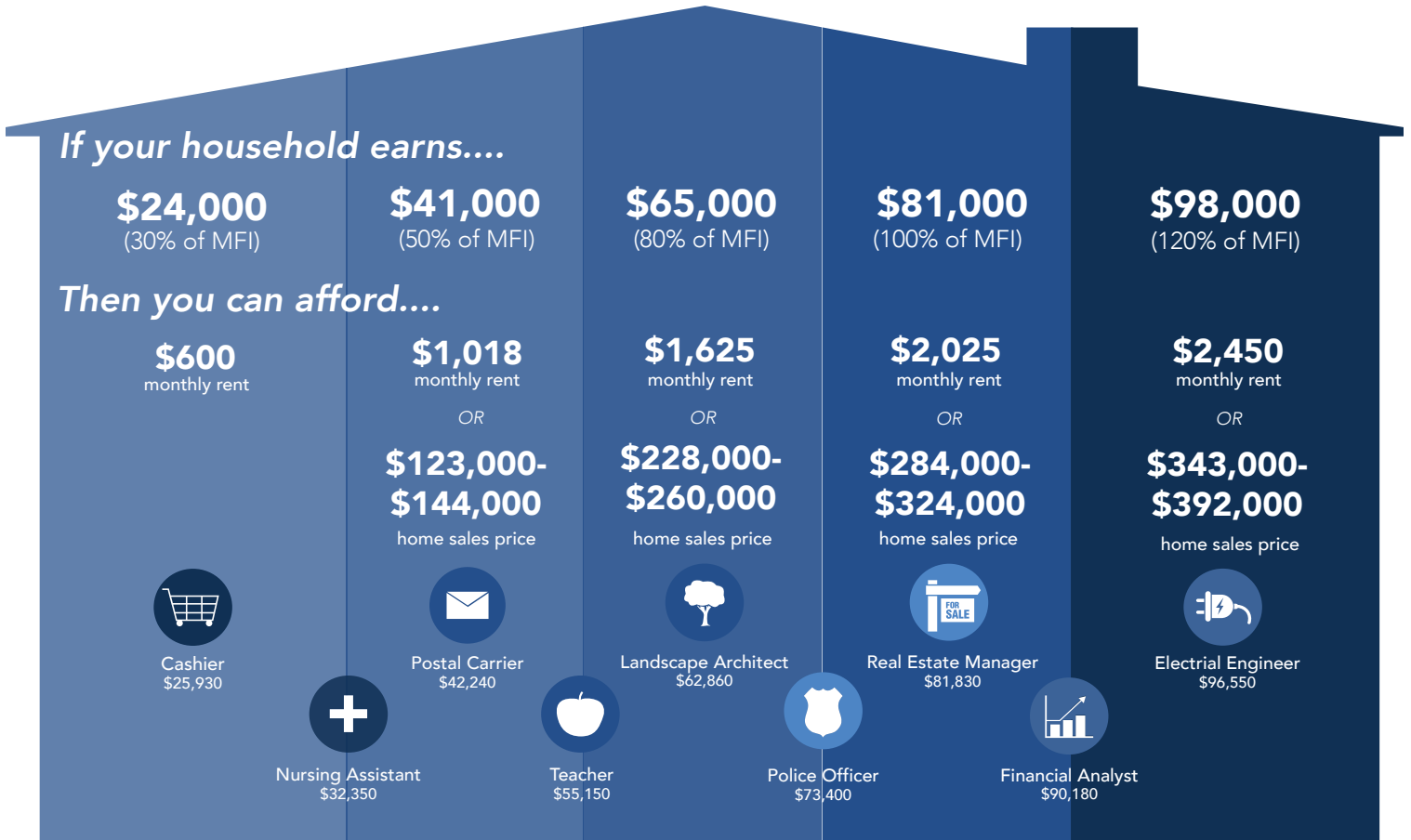
Cities with higher housing sales prices also have higher average rents.

MEDIAN MULTIFAMILY RENT BY CITY, 2018 Source: Costar

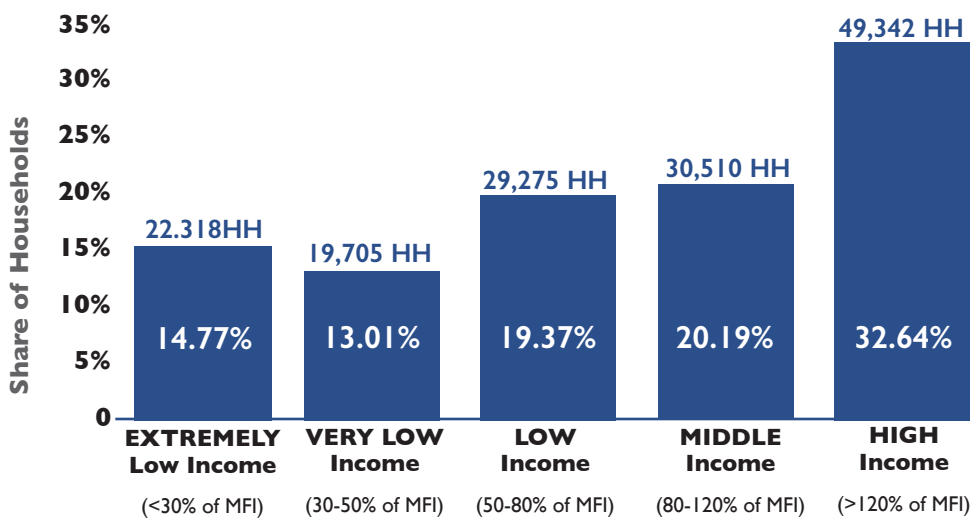


FINANCIALLY ATTAINABLE HOUSING BY MEDIAN FAMILY INCOME, CLACKAMAS COUNTY, 2018

The graphic below shows housing affordability by income, categorizing incomes by Clackamas County’s Median Family Income (MFI). The graphic shows the amount a household with the given income can afford to spend on housing, assuming the household spends no more than 30% of gross income on housing costs.



SHARE OF CLACKAMAS COUNTY’S HOUSEHOLD BY MEDIAN FAMILY INCOME, 2012-2016



Twenty-eight percent of Clackamas County households earn 50% of MFI or less, about \$40,700 per year or less.

They cannot afford a two-bedroom apartment at the county’s Fair Market Rent of \$1,330.

Housing Forecast and Land Sufficiency

Every city and urban unincorporated areas have plan designations where there is not enough capacity to accommodate the forecast of growth.

The most common designations with deficits are medium- and high-density plan designations.

The forecasts for new housing are based on the forecast for population growth (for geographies outside the Metro UGB) or household growth (for geographies in the Metro UGB).

FORECAST OF NEW HOUSING BY TYPE OF HOUSING, CITY, AND UNINCORPORATED AREA, 2019-2039

Jurisdiction	Single-family Detached	Single-family attached	Multifamily	Total
Gladstone	159	64	95	318
Estacada	485	56	153	694
West Linn	498	250	250	998
Clackamas County Rural Unincorporated	1,813	19	38	1,870
Molalla	1,327	306	409	2,042
Wilsonville	1,238	248	990	2,476
Oregon City	1,429	572	857	2,858
Happy Valley, incl. Pleasant Valley/N. Carver	3,986	837	3,151	7,974
Clackamas County Urban Unincorporated	4,087	817	3,271	8,175

LAND CAPACITY AND SUFFICIENCY TO ACCOMMODATE GROWTH, 2019-2039

Housing Needs Analyses compare the capacity of vacant and partially vacant residential land (in terms of dwelling units) with demand for housing. Some jurisdictions do not have enough land (in all or some plan designations) to accommodate growth of single-family detached, single-family attached (townhouses), or multifamily housing.

Jurisdiction	Capacity for new housing (dwelling units) on vacant residential land	Is there Enough Capacity to Accommodate the Housing Forecast?	What Plan Designations (if any) do not have Enough Capacity?
Gladstone	86	No, deficits of capacity in all plan designations	Low Density Residential Medium Density Residential High Density Residential
Wilsonville	336	Yes, in some plan designations but some designations have deficits of capacity	Residential Planned Development 4-5 DU/Acre and 6-7 DU/Acre
West Linn	341	No, deficits of capacity in all plan designations	Low Density Residential Medium Density Residential Medium-High Density Residential
Molalla	422	No, deficits of capacity in all plan designations	Low Density Residential Medium Density Residential Medium-High Density Residential
Happy Valley, including Pleasant Valley/North Carver	2,193	No, deficits of capacity in all plan designations	Very Low Density Residential Low Density Residential Medium Density Residential High Density Residential Mixed Use Residential
Estacada	2,261	Yes, in some plan designations but some designations have deficits of capacity	Multiple Family Residential
Clackamas County Rural Unincorporated	2,307	Yes, all plan designations have enough capacity	N/A
Clackamas County Urban Unincorporated	3,178	No, deficits of capacity in all plan designations	Low Density Residential Medium Density Residential Medium-High Density Residential High Density Residential
Oregon City	6,573	Yes, in some plan designations but some designations have deficits of capacity	High Density Residential

Conclusions

The broad conclusions of the Clackamas County HNA are as follows. The full technical report provides more information about conclusions specific to Urban and Rural Unincorporated areas and for each participating city.

- **Population is expected to grow in unincorporated parts of the county and in most cities between 2019-2039.** Population growth will increase demand for new housing. The places with the largest forecast for number of new dwellings (and population) are: Urban Unincorporated Clackamas County, Happy Valley, Sandy, Canby, Oregon City, Molalla, Urban Unincorporated Clackamas County, and Wilsonville. The places forecast to have the least growth are Johnson City, Barlow, and Rivergrove.
- **Demographic changes will also result in changes in the type of new housing needed.** Key demographic changes in Clackamas County are the continued aging of the Baby Boomers and household formation of Millennials and younger households.

 - As the Baby Boomers continue to age, they will make a variety of housing choices. The majority of Baby Boomers are expected to remain in their homes as long as possible, downsizing or moving when illness or other issues cause them to move. Demand for specialized senior housing, such as age-restricted housing or housing in a continuum of care from independent living to nursing home care, may grow throughout the County.
 - Millennials and younger age groups will be a key driver in demand for housing for families with children over the next 20 years. The ability to attract Millennials and younger populations will depend on the County's availability of affordable renter and ownership housing. It may also depend on the location of new housing in Clackamas County as many Millennials prefer to live in more urban environments.
- **Households in Clackamas County, like those in the rest of the Portland Region, are struggling with decreasing affordable housing, as housing prices and rents increase faster than incomes.** At least one-quarter of households in all cities (except Rivergrove) and unincorporated parts of the county are cost burdened, with 30% or more of households cost burdened in Gladstone, Milwaukie, Molalla, and Johnson City. Cost burden is higher among renters than homeowners.



CONCLUSIONS



- **Cities and the County (in unincorporated areas) need to identify opportunities to support development of housing that is affordable at all income levels.** The HNA groups housing affordability into two broad groups:

- Housing that is affordable to extremely-low and very-low income households (i.e., those earning less than 50% of Median Family Income or \$41,000 for a family of four). This grouping includes people experiencing homelessness. Housing for these households is generally developed with subsidy from the federal, state, and local governments.



- Housing that is affordable to low-income and middle-income households (i.e., those earning between 50% and 120% of Median Family Income or \$41,000 to \$98,000 for a family of four). Housing in these income categories is frequently called “naturally occurring housing” or “workforce housing.”

- An important source of funding to support development of housing affordable to households earning less than 80% of Median Family Income (less than \$65,000 for a family of four) is funding from the Metro Bond, which is expected to be used to develop about 2,500 new units in Clackamas County.



- Cities and the County will need to identify additional ways to support all types of housing development that is affordable to all income levels. Some approaches include: changes in zoning code to support affordable housing development, density bonuses for affordable housing development, use of surplus publicly-owned land for affordable housing development, property tax abatements, systems development charge waivers or changes in the way they are charged, and other tools.

- **The demographic changes and increasing housing affordability challenges will result in increased demand for a wider range of new housing.** These types of housing include: small-lot single-family detached housing, accessory dwelling units, cottage housing, townhouses, duplexes, triplexes and quad-plexes, smaller-scale multifamily housing such as garden apartments, and larger scale-multifamily housing including multistory apartments and condos, and mixed-use developments. Cities and the County should plan for this wider range of housing types to meet future housing demand.



- The County and Cities will need to plan to comply with the requirements of House Bill (HB) 2001.** HB 2001 was passed after the majority of work on the Clackamas County HNA was completed. It requires cities with population between 10,000 and 25,000 people to allow for development of a duplex on each lot zoned for residential use where single-family detached housing is allowed. Cities larger than 25,000 and cities or counties within the Metro UGB must allow for: (1) development of a duplex on each lot zoned for residential use where single-family detached housing is allowed and (2) development of middle housing types (i.e., cottage clusters, duplexes, triplexes, quadplexes, and townhouses). in areas zoned for residential use that allow development of single-family dwellings.

The State will develop a model code for complying with HB 2001 by December 31, 2020. Cities with population between 10,000 and 25,000 have until June 20, 2021 to comply with HB 2001. Cities larger than 25,000 and cities or counties within the Metro UGB have until June 20, 2022 to comply with HB 2001.

- The County and most cities have land deficits they should address.** Within Urban Unincorporated areas, Clackamas County has a deficit of land in all plan designations to accommodate the forecast of population and housing growth. All of the cities that participated in the study had deficits of land in some plan designations, most frequently in medium and high density plan designations. The County and the cities will need to identify strategies to accommodate housing needs within their planning areas. These strategies may include: changes to the development code that allow for more efficiently use of land (resulting in increasing capacity for housing development), re-zoning and redesignating land (especially up-zoning lower density areas to medium and high density designations), planning for redevelopment that results in increases in density and housing capacity, supporting development of new multifamily development (especially affordable housing) using the tools described above, and other approaches to increasing the capacity of existing residential land. Some cities may need an expansion of their UGB (or the Metro UGB) to accommodate the forecasts of growth.
- The participating cities with baseline HNAs should use this opportunity to refine and finalize their HNAs.** Then to develop strategies to meet unmet housing needs, both in terms of land and in terms of housing affordability.



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Housing Affordability and Homelessness Task Force

A Report to the Board of County Commissioners

December 2, 2019

Executive Summary

Recognizing the need to address the crisis surrounding housing affordability and the number of people who are unhoused in Clackamas County, the Board of County Commissioners formed an independent task force in 2018 to advise on potential solutions. The Task Force met for 18 months and has put forth a set of 19 recommendations to the Board. Of those 19 recommendations, the Task Force identified several recommendations as their top priority for immediate implementation based on their potential to address the most urgent needs in the County.

In putting forward these recommendations, the Task Force emphasized that the County's efforts must be multi-pronged. No one type of solution will help address the needs for housing in the County. The Task Force also said all the recommendations must be implemented with an equity lens and the body adopted a lens for this purpose.

The Task Force's high priority recommendations include strategies for funding, housing services and housing supply. They are:

- Adopt a Construction Excise Tax of 1% on residential and commercial construction to fund housing affordability and services.
- Identify and create additional capacity for Shelter off the Streets (SOS) and mobile hygiene and trash collection programs for those that remain unsheltered.
- Create flexible short-term funding aligned with case management services to address both housing retention and housing placement services.
- Use wrap around case management services and priority access to affordable housing for people with disabilities experiencing long term chronic homelessness.
- Include housing affordability packages in upcoming annual planning work programs.

All 19 recommendations and rationale made by the Task Force may be found in the appendix.

Housing Affordability and Homelessness Task Force

Background

The Clackamas County Board of County Commissioners (BCC) attended a series of panel discussions in 2017 to learn about housing affordability and homelessness problems in the County. At the panel discussion, it was evident to the BCC that there was a clear need and a call to engage the community to move toward solutions in the region. The passage of affordable housing initiatives in nearby cities and counties and the potential future regional affordable housing bond measure emphasized the importance of being proactive and strategic in identifying priorities. The independent task force was created and appointed by the BCC, driven by the realities and costs of development and lived experience of the County’s affordability and homelessness crisis.

Purpose/Charge of Task Force

The Housing Affordability and Homelessness Task Force was an advisory body appointed to research, recommend and support new policies and strategies on increasing housing affordability and alleviating homelessness in Clackamas County. The Task Force gathered information and made specific near-term recommendations on regulatory changes and mechanisms that would foster the maintenance and development of affordable housing for all income levels, including those who are homeless.

Meeting dates and topics

The Task Force met publicly from May 2018 to November 2019 and discussed the following topics:

May 2018	<ul style="list-style-type: none"> • Overview of committee purpose, goals, process and staff resources • Charter
June 2018	<ul style="list-style-type: none"> • Overview of precedent County work • Preliminary focus areas, draft goals and early actions
July 2018	<ul style="list-style-type: none"> • Housing affordability policy tools • Refine proposed goals and actions
September 2018	<ul style="list-style-type: none"> • Focus areas, short-term actions • Overview of existing County efforts around equity • Task Force Equity Lens
October 2018	<ul style="list-style-type: none"> • Application of draft Equity Lens to the Task Force’s work
November 2018	<ul style="list-style-type: none"> • Planning, zoning and development recommendations
December 2018	<ul style="list-style-type: none"> • Housing stability, short term rent assistance, tenant protections and resident services recommendations
January 2019	<ul style="list-style-type: none"> • Final recommendations for housing services and safety off the streets
March 2019	<ul style="list-style-type: none"> • Final recommendations for planning, zoning and development • Focus area housing services • Draft tenant protections recommendations
April 2019	<ul style="list-style-type: none"> • Draft tenant protections recommendations • Funding opportunities and strategies
July 2019	<ul style="list-style-type: none"> • Housing needs assessment findings • Refined tenant protections recommendations and housing services recommendations
August 2019	<ul style="list-style-type: none"> • Final recommendations for housing services, tenant protections and funding
November 2019	<ul style="list-style-type: none"> • Priority Task Force recommendations
Meeting materials were posted on the County’s website.	

Housing Affordability and Homelessness Task Force

Membership

The Task Force was composed of representatives from the public, private and non-profit sectors, with business and development expertise, knowledge of providing affordable housing, and lived experience with the housing affordability crisis. Members were selected and recruited by Clackamas County.

Process for Decision-Making

The Task Force’s discussions and recommendations were supported by data, analyses and reports provided by the County staff and consultants. Task Force members were encouraged to bring additional data to the group for consideration. At each meeting, members could request additional data and information from technical experts.

The Task Force operated by consensus, taking votes only where needed. Minority opinions were included in the meeting summaries.

Discussion Results

In the year and a half that the Task Force met, the body developed a set of 19 recommendations that aim to strengthen the County's ability to increase housing affordability and reduce the number of people experiencing homelessness. The set of recommendations addresses funding, housing services and housing supply.

Recognizing the historic and current housing disparities, the Task Force created its own Equity Lens to be applied during the implementation of all recommendations. Equity in the County is defined as

The principled commitment to ensuring the absence of visible and invisible barriers to fairness in representation, opportunity and access.

The Task Force’s goal is to turn intentions into actions and strive to right historical wrongs in our society, creating a welcoming Clackamas County for community members of all different backgrounds.

At the Task Force’s final meeting, members expressed that the situation in the County requires immediate action. They cited rising cost of rents and to enter home ownership is out of reach for many households. Almost half of renters in the County were cost burdened in the 2012-2016 time frame according to data presented to the Task Force.

The Task Force emphasized the importance of implementing a multi-pronged approach because of the complexity of the issues and the lack of a single solution (or “silver bullet”). They also highlighted the need for regional partnerships for a holistic and successful strategy. Currently,

Housing Affordability and Homelessness Task Force

Clackamas County does not have sufficient resources to serve its residents and some move or travel to find services elsewhere, creating burdens in other locations.

The final set of 19 recommendations are divided into five categories:

- Shelter off the streets and services for the currently unsheltered
- Planning, zoning and development
- Housing services for those experiencing homelessness or at-risk of being homeless
- Tenant protections
- Funding

The full set of recommendations can be found in the appendix.

Priority Recommendations and Rationale

The Task Force realized that the County does not have all the resources required to implement the full set of recommendations and understood that they may need to be implemented in phases. The Task Force, with help from County staff, worked together to identify which recommendations were of the highest priority to the Task Force. The Task Force ranked the recommendations into high, medium and low priorities. The Task Force asks the BCC to act on the top priority recommendations first and then continue with the medium and low priority recommendations.

In the process of prioritizing recommendations, the Task Force decided the adopted Equity Lens should be used and applied to all the recommendations and asks that an Equity Lens be applied throughout implementation. To ensure more equitable outcomes, the Task Force also encourages housing placement and retention funding to be delivered via culturally specific providers in Clackamas County.

Priority Recommendations:

Adopt a Construction Excise Tax of 1% on residential and commercial construction to fund housing affordability and services.

A Construction Excise Tax (CET) provides one of the few ways to address housing affordability and homelessness without impacting current services or requiring additional borrowing. The Task Force recommends that the County adopt a CET of 1% on residential construction and of 1% on commercial construction. Based on historic trends, together these fees should yield around \$2 million per year.

Identify and create additional capacity for Shelter off the Streets (SOS) and mobile hygiene and trash collection programs for those that remain unsheltered.

- Locate spaces for self-governing tent cities and camping communities with hygiene and trash collection services.

Housing Affordability and Homelessness Task Force

- Identify space for legal RV camping, with waste disposal services.
- Locate publicly-owned property to provide these spaces, and investigate the use of underutilized sites, vacant buildings and willing private property owners.
- Work to assure that SOS shelters are a transition vehicle to permanent housing.
- Provide personal hygiene services.
- Provide trash and garbage options, including safe needle deposit and exchange for those that remain unsheltered.

Create flexible short-term funding aligned with case management services to address both housing retention and housing placement services.

This short-term resource is best for families and individuals who are not disabled and have not experienced long term chronic homelessness but need a short-term infusion of assistance to stabilize. Flexibility is key to ensure the correct short-term investments are made to achieve long term housing stability. Task Force members identified the Short-Term Rental Assistance (STRA) program model with highly flexible funding and an emphasis on creative, problem-solving approaches unique to each household in need as a viable option.

Prioritize wrap-around case management services and priority access to affordable housing for people with disabilities experiencing long term chronic homelessness.

- Identify and prioritize funding for ongoing intensive case management services targeted to serve families and individuals with significant disability experiencing chronic/long-term homelessness.
- Create preferences for families and individuals with significant disability experiencing chronic/long-term homelessness aligned with the ongoing wrap around intensive case management services.
- Use current data to identify priority populations and gaps in current funding. Understand homeless inflow and outflow data and adjust operations as needed to achieve homeless reduction goals ongoing.

Include housing affordability packages in upcoming annual planning work programs to include consideration of the following elements. Specific Recommendations:

- Provide a tiered density bonus for inclusion of affordable housing and create a transferrable development rights bonus system
- Increase maximum density for multi-family development in commercial zoning districts.
- Develop a hierarchy of parking standards based on proximity to transit that considers credits for alternative modes, the nature of the occupancy and affordability.
- Provide enhanced ability to create Shelter off the Streets (SOS) housing. Other jurisdictions have allowed camping “rest areas” as well as transitional shelters, which are currently only allowed in very limited areas in the county.
- Provide for cottage cluster development in appropriate zoning districts.

Housing Affordability and Homelessness Task Force

- Make duplexes and triplexes outright uses in single-family zones, as required by state law adopted in 2019.
- Repeal owner occupancy requirement for ADUs, as required by state law which becomes effective January 1, 2020.
- Explore opportunities for permitting additional housing types, such as micro-units, co-housing and live/work units.
- Address ability to add housing to schools, places of worship and church-owned properties.

Conclusion

The Task Force recognizes that there is limited budget to address the growing housing crisis which is why the implementation of a CET was identified as the top priority.

Safety off the Streets for those who are homeless was identified as the largest gap currently facing Clackamas County, and this was also identified as a high priority.

For all of the five priority recommendations, Task Force members strongly encourage the Board of County Commissioners to direct staff to identify new funding sources and/or re-prioritize existing funding to focus on identified priorities and gaps in service.

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Final Recommendations

Introduction

The Housing Affordability and Homelessness Task Force (the Task Force) was appointed by the Board of County Commissioners to research, recommend and support new policies and strategies on increasing housing affordability and alleviating homelessness in Clackamas County. Members represented business, community and housing interests in discussions. The Task Force met from May 2018 to November 2019 to put forth a set of recommendations on long-term oversight, advocacy and coordination of housing affordability and homelessness reduction efforts in Clackamas County and interested cities.

The Task Force gathered information and made specific near-term recommendations on regulatory changes and mechanisms that would foster the maintenance and development of affordable housing for all income levels, including those who are homeless.

Clackamas County and cooperating agencies funded a Housing Needs Assessment to provide a detailed analysis of housing demand, supply and needs throughout the county at all income levels. Based on that analysis, the Task Force set forth funding recommendations intended to strengthen the County's ability to increase housing affordability and reduce homelessness.

Task Force has put forth the following sets of recommendations to the Clackamas County Board of Commissioners:

- Shelter off the streets and services for the currently unsheltered (Recommendations 1 - 4)
- Planning, zoning and development (Recommendations 5 – 6)
- Housing services for those experiencing homelessness or at-risk of homelessness (Recommendations 7 - 9)
- Tenant protections (Recommendations 10-17)
- Funding (Recommendations 18-19)

Housing Affordability and Homelessness Task Force

Recommendations 5 – 6: Planning Zoning and Development

Goal: *The Task Force recommends that the Board of County Commissioners revise its current Performance Clackamas goal for affordable housing to be more aspirational and account for the housing units likely to be built under the Metro Housing Bond:*

By 2026, 2000 units of housing, affordable to a variety of residents, will be developed within Clackamas County, through a combination of public and private partnerships, and appropriate regulatory changes. Of that number, the Housing Authority goal will be to provide 1000 units affordable to households earning 60% of the area median income or less.

The Board of Commissioners should work with staff and partners to arrive at appropriate targets after reviewing the Housing Needs Assessment, which was recently completed.

The Task Force also recommends that the County continue its current efforts to facilitate additional housing at all income levels, and to continue to assure that design standards do not provide unnecessary impediments to housing affordability.

Additionally, the Task Force recommends that the County apply an Equity Lens to its current citizen involvement programs related to land use and zoning.

Recommendation 5. Include housing affordability packages in upcoming annual planning work programs to include consideration of the following elements:

Tier One: The Task Force recommends the following elements as most likely to effect change in the shortest period.

Specific Recommendations:

- a) Provide a tiered density bonus for inclusion of affordable housing and create a transferrable development rights bonus system. The Task Force feels a density bonus should provide a realistic financial incentive for development of affordable housing units in all zones that allow residential uses, and for the affordable housing component of mixed income projects.
- b) Increase maximum density for multi-family development in commercial zoning districts. In most commercial zoning districts, housing is limited to 25 units per acre in commercial areas, while there are very few size restrictions on commercial development. For example, the code currently allows a multi-story office building, but may not allow a 100-unit residential building of the same dimensions.
- c) Develop a hierarchy of parking standards based on proximity to transit that considers credits for alternative modes, the nature of the occupancy and affordability. Parking requirements can be an added unnecessary cost in some instances. For example, there is some evidence

Housing Affordability and Homelessness Task Force

that households in the 0-30% AMI range have fewer vehicles than households in higher income ranges. Similarly, developments near high capacity transit stations may require fewer parking spaces per unit. The Task Force recommends that any changes be supported by recent studies and data.

- d) Provide enhanced ability to create Shelter off the Streets (SOS) housing. The Task Force recognizes that current code provides very limited ability to site Shelter off the Streets (SOS) uses and shelter options. Other jurisdictions have allowed camping “rest areas” as well as transitional shelters, which are currently only allowed in very limited areas in the county.

Tier Two: The items below were either addressed by legislation during the 2019 Legislature or are less likely to result in significant numbers of affordable housing units in the near term. The Task Force recommends that the County address them in subsequent Planning Work Programs.

Specific Recommendations:

- e) Provide for cottage cluster development in appropriate zoning districts. The Task Force would like to see the ability to create cottage cluster developments.
- f) Make duplexes and triplexes outright uses in single-family zones, as required by state law adopted in 2019. The Task Force believes that classifying “plex” units as conditional uses rather than outright uses, leads to greater uncertainty and longer processing times and expense. To implement the new law, the BCC will need to take action, which may include the adoption of design and/or siting standards.
- g) Repeal owner occupancy requirement for ADUs, as required by state law which becomes effective January 1, 2020.
- h) Explore opportunities for permitting additional housing types, such as micro-units, co-housing and live/work units. The Zoning and Development Ordinance currently allows mixed uses in many areas and allows mixed use buildings under a home occupation permit in residential zones. However, there may be opportunities to increase this type of unit in conjunction with addressing building code and appropriate compatible uses and other issues.
- i) Address ability to add housing to schools, places of worship and church-owned properties. Housing is currently allowed at school-owned properties and places of worship so long as it is developed at a density consistent with the underlying zones. There may be other opportunities to expand by considering appropriate permitting solutions for conditional uses.

Housing Affordability and Homelessness Task Force

Recommendation 6: Evaluate and apply an Equity Lens to the County’s Planning, Zoning and Housing outreach efforts.

The Task Force has developed an Equity Lens to help evaluate actions related to housing affordability and homelessness. The lens contains the following vision statement:

We envision a Clackamas County Task Force on Affordable Housing and Homelessness that engages communities of color and those disproportionately impacted by historic and current housing disparities in the county, that leads by example and actively makes informed decisions while bringing the voices of those disproportionately affected to the table, and that considers current and future impacts that our decisions make on communities of color and impacted populations.

The Task Force recommends that the County apply the attached equity lens or a similar tool to evaluate how the county communicates and works with diverse communities in its planning and zoning outreach processes.

Equity lens attached at the end of document.

Housing Affordability and Homelessness Task Force

Clackamas County Task Force on Affordable Housing and Homelessness Equity Lens

Clackamas County defines equity as: The principled commitment to ensuring the absence of visible and invisible barriers to fairness in representation, opportunity and access.

Vision Statement:

We envision a Clackamas County Task Force on Affordable Housing and Homelessness that engages communities of color and those disproportionately impacted by historic and current housing disparities in the county, that leads by example and actively makes informed decisions while bringing the voices of those disproportionately affected to the table, and that considers current and future impacts that our decisions make on communities of color.

What is a racial equity lens?

In work many of us use lenses (such as safety, trauma-informed and ethical lenses) to determine if a decision fits an organization's values and operating principles.

This racial equity lens is a tool that the Clackamas County Task Force on Housing Affordability and Homelessness will use to determine if we have achieved equity in our decisions and recommendations. The lens will help us see disparities, consequences, sources of structural inequity and institutional racism, potential impacts on communities of color and historically marginalized communities in Clackamas County. The goal is to turn our intentions into actions and strive to right historical wrongs in our society, creating a welcoming Clackamas County for community members of all different backgrounds.

Questions to ask when considering if a policy is equitable:

- What communities are impacted by the policy we're considering?
- Are they at the table?
 - a. If yes: What is their perspective?
 - b. If no: Why not? How can we get their perspective before moving forward with a recommendation?
- What disparate impacts may arise from this recommendation? Areas to consider are: Housing Access, Housing Stability, Displacement
 - a. To what extent does the proposed policy worsen disparities toward affected groups?
 - b. Does the proposed policy aim to correct, change or challenge institutional racism?

Housing Affordability and Homelessness Task Force

- What are the intended benefits or unintended consequences that might impact affected groups as a result of the policy or recommendation?
- Has the county considered disparate impacts already?
 - a. If yes: what existing analysis can we draw from to make an informed decision?
 - b. If no: What analysis does the county need to complete before we can make an informed decision?

Housing Affordability and Homelessness Task Force

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Housing Affordability and Homelessness Task Force

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*Members who participated for a portion of the Task Force Duration.



Land Use Housing Strategies Project:

Supporting the development of more affordable housing in urban unincorporated areas through changes to land use zoning

PART B: PHASE 1

Board of Commissioners Planning Session

Wednesday, April 28, 2021



PHASE 1: Strategies

- 1) Housing density in commercial zones
- 2) Multi-family parking requirements
- 3) Affordable housing bonus
- 4) Transitional shelters

Slide 10



PHASE 1: Work to date

- ▶ Research
- ▶ Outreach
 - Press releases/social media/webpage
 - Community Leaders, CPO meetings, other presentations
 - On-line survey
 - Technical working group
- ▶ Analysis & development of potential code changes

Slide 11



PHASE 1: Considerations

- ▶ Number of units developed on a site is impacted by:
 - Maximum densities
 - Required parking
 - Other development standards
 - Mid- to high-rise construction costs
 - Health outcomes and climate change
- ▶ No single strategy is going to solve the problem; need opportunities to move the needle

Slide 12



PHASE 1: Strategy 1

Maximum Allowed Density in Commercial Zones

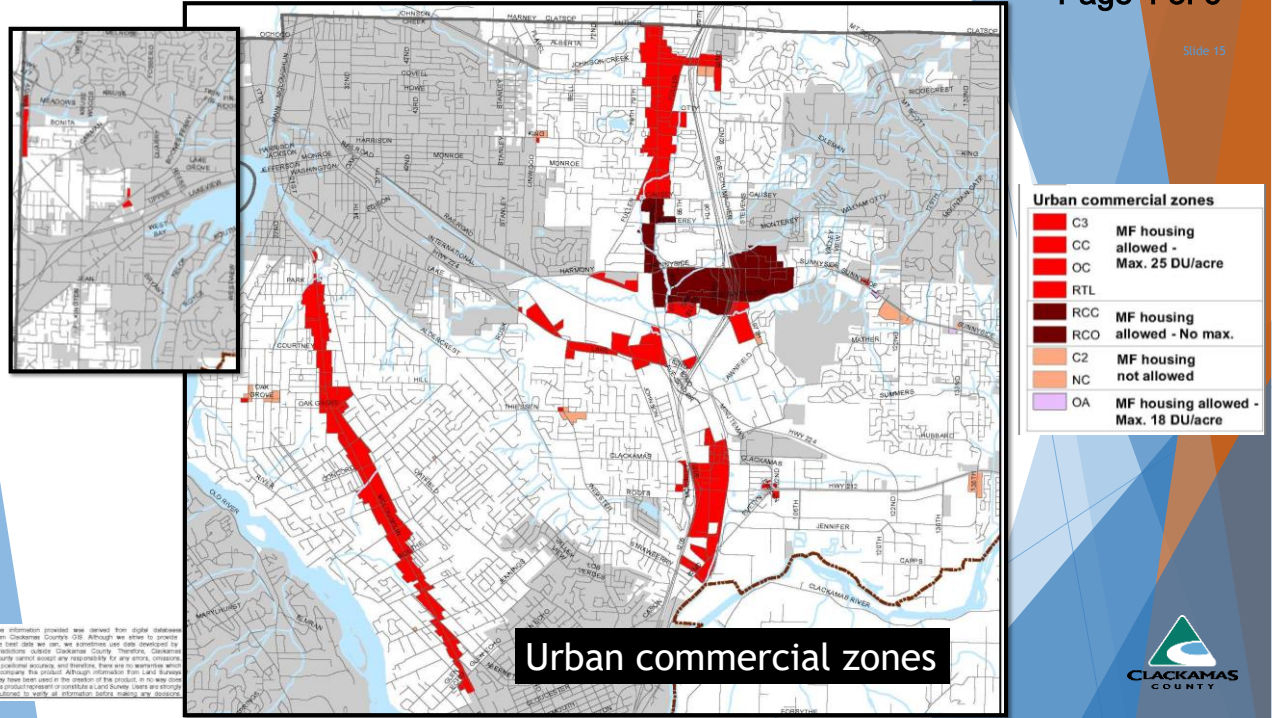
- ▶ County zoning code: 25 units/acre
- ▶ Issues
 - Need more units
 - Affordability
 - Financial feasibility
- ▶ Staff recommendation: 60 units/acre

Slide 13



What 45-100 dwelling units/acre can look like





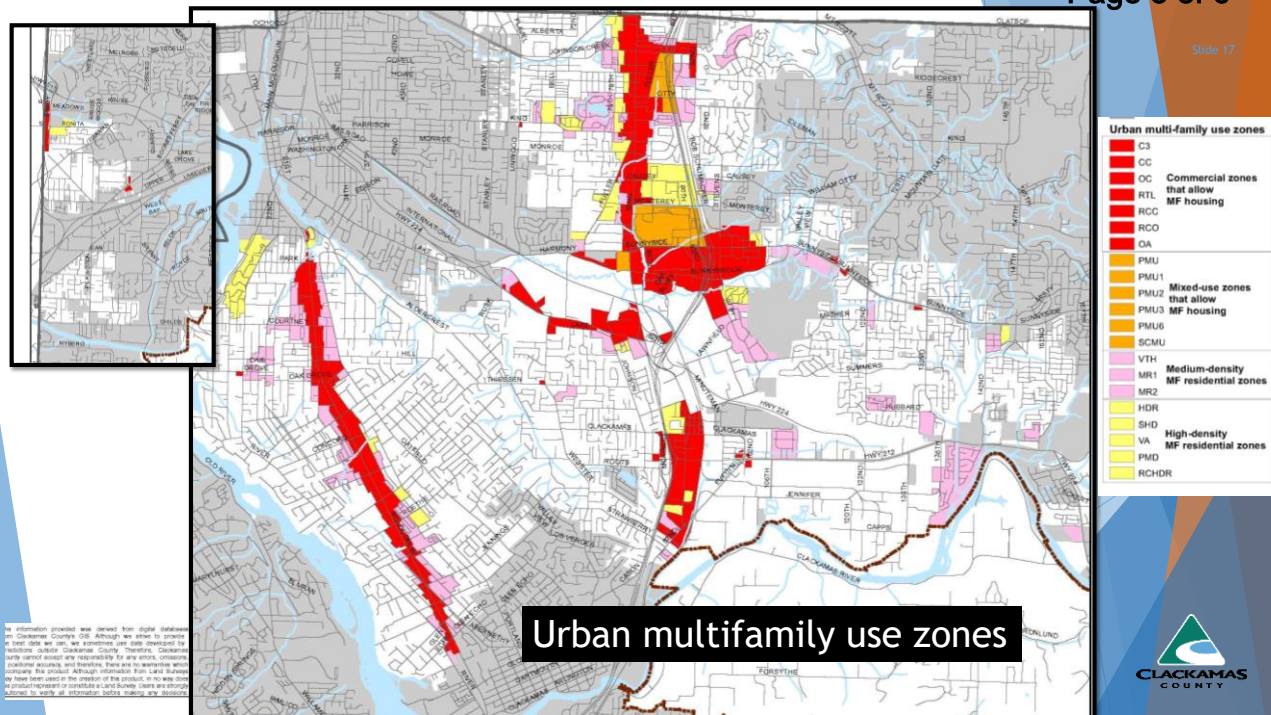
Slide 15

PHASE 1: Strategy 2 Multi-Family Parking Requirements

- ▶ **County zoning code:** 1.25 - 1.75 spaces/unit
- ▶ **Issues**
 - ▶ No flexibility in code
 - ▶ Data shows income and proximity to light rail can reduce need for parking
 - ▶ Parking is expensive
- ▶ **Staff recommendation:** Specific reductions, as noted

Slide 16





Slide 17



PHASE 1: Strategy 3 Affordable Housing Bonuses/Density Bonus

Slide 18

► County zoning code:

- Density bonus of maximum of 8% over base density
- Rarely used

► Issues

- Ineffective
- Need
- Expensive to build affordable housing

► Staff recommendation: Maximum of 50% over base density



PHASE 1: Schedule

- ▶ May 2021
 - ▶ Planning Commission work session
- ▶ June/July 2021: Planning Commission public hearing(s)
- ▶ July/August 2021: Board of Commissioners public hearing(s)

Slide 19



Part B: Phase 1 Discussion and Questions

- 1) Specific concerns or questions
- 2) Move forward with staff recommendations?
- 3) Transitional shelter considerations

Slide 20



PART B: Phase 1 – Strategy review and recommendations

In this second portion of the Planning Session, staff will present an overview of the strategies being reviewed as a part of Phase 1 and the draft recommendations for the first three of the strategies.

Phase 1 strategies:

1. Consider increasing or removing maximum density requirements for multifamily developments in commercial zoning districts (C-3, RTL, OC, and CC),
2. Consider creating a hierarchy of minimum parking standards based on proximity to transit and/or dwelling unit affordability, and
3. Consider providing a tiered density bonus to developers for including affordable housing.
4. Consider permanent regulations to allow transitional shelter communities

Each of the first three strategies is summarized in the BCC Worksheet and discussed in more detail in this document. If the Board directs Staff to move into public hearings with these three strategies, they will be discussed with the Planning Commission at a work session in May 2021 and then public hearings will be scheduled before the Planning Commission and the Board of County Commissioners (BCC) in Summer 2021.

Strategy 1: Maximum Density for Multifamily in C-3, CC, OC and RTL Zones - Consider increasing or removing maximum density requirements for multifamily developments in commercial zoning districts.

Current status:

In the county’s Zoning & Development Ordinance (ZDO), most commercial zones have no height limits, maximum floor area ratios, or maximum density for commercial developments, but some have maximum densities (dwelling units per acre) for residential development. In commercial districts most commonly found in urban areas, particularly along major transportation corridors (C-3, CC, OC, RTL), multifamily dwellings are limited to 25 dwelling units (DU)/acre. Based on feedback from developers, density needs to increase above the current 25 DU/acre for developments to be financially feasible, to get units actually built.

The need:

- **Continued increases in housing costs and changing demographics are projected to increase demand for denser housing** (e.g., multifamily or smaller single-family housing) that tends to be more affordable than larger housing types (Figure 1)ⁱ.

Research suggests that Millennials’ housing preferences may be similar to the Baby Boomers’, which includes smaller, less costly units in walkable neighborhoods. Baby Boomers, people born between 1946 and 1964, and Millennials, people born between 1980 and 2000, are projected to make up more than half of the Clackamas County population in 2040ⁱⁱ

- **High-density residential land is in short supply.** A comparison of projected demand with the existing supply of buildable residential land in urban unincorporated areas found that the greatest deficit is for high-density/multifamily dwelling units. With little residential land available, developers will have to increasingly look to other areas that allow multi-family development, which are primarily commercial areas. Recent inquiries from developers in Clackamas County, including from the Housing Authority, indicate this has already begun to occur (Figure 2)ⁱⁱⁱ.

Effect of demographic changes on housing need

Source: ECONorthwest, adapted from Clark, William A.V. and Frans M. Dieleman. 1996. Households and Housing. New Brunswick, NJ: Center for Urban Policy Research.

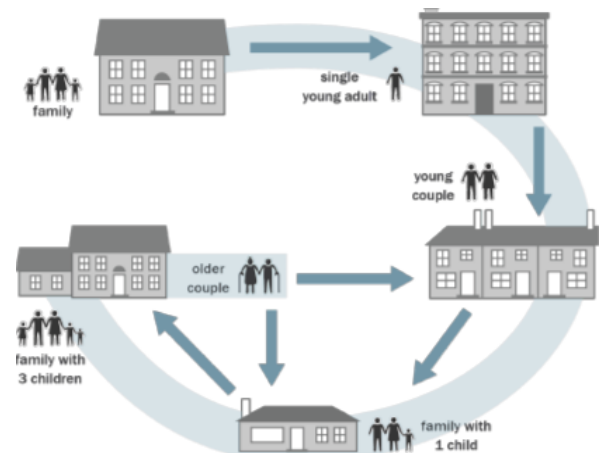


Figure 1: Exhibit 29, Clackamas County Regional Housing Needs Analysis. 2019.

Comparison of capacity of existing residential land with demand for new dwelling units and land surplus or deficit, Urban Unincorporated Clackamas County, 2019 to 2030

Source: Buildable Lands Inventory; Calculations by ECONorthwest. Note: DU is dwelling unit.

Plan Designation	Capacity (Dwelling Units)	Demand (Dwelling Units)	Comparison (Capacity minus Demand)	Land Deficit Gross Acres
Low Density	2,747	2,902	(155)	(35)
Medium Density	88	1,430	(1,342)	(124)
Medium-High Density	208	1,471	(1,263)	(78)
High Density	135	2,372	(2,237)	(86)
Total	3,178	8,175	(4,997)	(323)

Figure 2: Exhibit 84, Clackamas County Regional Housing Needs Analysis. 2019

- Commercially zoned land usually has access to all the urban infrastructure that is important for serving multifamily developments, including direct access to an array of transportation options, including transit. It is also where shopping and services are located, which lends itself to increased walkability^{iv}.
- Based on development in zoning districts with no density maximum in the county and on conversations with several developers of multi-family housing, and particularly affordable units, in order to make a multi-family development most likely to be built and financially feasible, the development needs to be built at upwards of 40 to 60 units per acre.

Analysis:

Staff used a variety of resources to develop the proposed recommended changes to the Zoning Development Ordinance needed to implement the above strategy. Staff conducted a literature review, convened a technical working group comprised of individuals with experience and interest in participating and discussing the topic, and reached out to the broader community for input through an online survey.

Key takeaways from these sources are:

- In general, there is very little support for completely removing the maximum density for multifamily developments in urban commercial areas, but there is support for increasing density to allow for more units to be developed.
- Concerns were expressed about that the changes would create opportunities for gentrification and displacement. If densities limits were completely removed, it could impact property values and affordability, specifically noting that if an unlimited number of dwelling units could be built on a property, the value of that property would likely increase dramatically, making it even more expensive to build on, which could translate to a need to charge higher prices/rents for units.
- The technical working group expressed support for some increase in the allowed density in these commercial zones, to provide property owners more opportunity to redevelop underutilized lots with housing or mixed-use developments.
- Among online survey respondents (see *Attachment B3*), very little support was expressed for removing maximum density, with slightly more support for increasing maximum residential densities in the commercial zoning districts.
 - When asked to choose preferences from photos of various multifamily housing developments, 47.7% chose the 2-3 story option; 45.9% chose the 3-5 story option; and only 20.8% chose the 5-8 story option (respondents were allowed to choose more than one option).
 - Only 25.2% agreed or strongly agreed with eliminating or allowing an increase in density that could result in “higher-rise”, 5-8 story buildings. A number of comments were included that expressed infrastructure concerns with higher density housing.
 - Just under half (48.2%) agreed or strongly agreed with allowing an increase in density that could result in “mid-rise”, 3-5 story buildings, but nearly the same amount (48.8%) agreed or strongly agreed with keeping the maximum density limits in commercial districts the same.

- As noted in the memo from Abe Moland, Health and Transportation Impact Planner (*Attachment B4* in meeting packet), providing more housing proximate to essential services has direct impacts on health outcomes for individuals, and increased availability of a variety of housing options has direct positive impacts on community health.
- Increasing maximum allowed densities for residential development in the commercial zones will not change the fact that both commercial and residential uses can be developed on a site. Mixed-use development is currently allowed and will continue to be allowed and no changes are proposed to any commercial uses in these zones.
- There are three commercial zones in the urban unincorporated area that have no maximum density requirement for multifamily development, and in those areas recent projects have been built at approx. 40-48 DU/acre and are 4-5 stories (all built at current or slightly reduced parking ratios).
- Based on the “scenario” planning done for the Park Avenue Station Area (PASA), a five story building may be able to accommodate as much density as 100 DU/acre (although this assumes a lower parking requirement in order to site the building and meet all site design standards)
- The minimum density in the High Density Residential zone (to which the applicable commercial zones are currently tied for maximum density) is currently 90% of maximum. This minimum density applies to freestanding multifamily developments in the applicable commercial zones, but not those developed as part of a mixed-use development. Consideration will need to be given to whether this is an appropriate minimum density if the maximum is raised and if not, what would be an appropriate minimum.
- Based on vacant and partially vacant commercial lands identified by Metro’s most recent buildable lands inventory, up to approximately 560 new dwelling units could be built at current densities (25 DU/acre) on this land.
 - Increasing density to 45 DU/acre could result in up to approximately 1,020 new units
 - Increasing density to 60 DU/acre could result in up to approximately 1,360 new units
 - This analysis does not account for redevelopment of any existing developed sites

Staff’s general conclusion is that increasing density allowances by 20 to 35 DU/acre over what is currently allowed could help generate as many as 500 to 800 additional housing units that would be near commercial services, which is desirable for accessibility to jobs, goods and services, and transit and may be associated with improved health outcomes. However, this strategy will not, by itself, address the 5,000-unit housing deficit identified in the county’s Housing Needs Analysis (HNA). The key to identifying the appropriate density increase will be to determine what the right maximum is that would provide for financially feasible projects, while limiting size and scale of buildings to something that would be acceptable to the community.

Staff recommendations:

- Increase allowed density for multifamily developments in the applicable commercial zones.
- Increase the maximum density to 60 DU/acre. This maximum is the same as the Special High Density (SHD) District that currently exists in one location in the urban area, but is

lower than allowed in several commercial and mixed-use districts found in and near the Clackamas Regional Center.

- Increasing this density involves a fairly simple set of Zoning & Development Ordinance (ZDO) amendments to Section 510, *Urban Commercial and Mixed-Use Zoning Districts*, as identified in *Attachment 1b*.

ⁱ Clackamas County Housing Needs Analysis. 2019

<https://dochub.clackamas.us/documents/drupal/c1526329-f9c4-4281-af84-1c58d8a5e15f>

ⁱⁱ Clackamas County Housing Needs Analysis. 2019

<https://dochub.clackamas.us/documents/drupal/c1526329-f9c4-4281-af84-1c58d8a5e15f>

ⁱⁱⁱ Clackamas County Housing Needs Analysis. 2019

<https://dochub.clackamas.us/documents/drupal/c1526329-f9c4-4281-af84-1c58d8a5e15f>

^{iv} Clackamas County Comprehensive Plan Map 4-6: North Urban Area Land Use Plan:

<https://dochub.clackamas.us/documents/drupal/06247ae5-3a94-4514-a85a-520814da6d72>

Strategy 2: Required Parking (Multifamily Developments) - Consider creating a hierarchy of minimum parking standards based on proximity to transit and/or dwelling unit affordability

Current status:

ZDO Section 1015 regulates parking.

- Multifamily units require 1.25 - 1.75 parking spaces per unit, depending on the number of bedrooms in the unit. There is no established parking ratio for studio (no bedroom) units in multifamily developments.
- Duplexes, triplexes and townhomes (attached single-family dwellings) require 1.0 - 2.0 parking spaces per unit depending on the zoning district.
- There are no parking maximums for multifamily developments.

There is no option to approve a variance or reduction to this parking ratio, except by request to the Board of County Commissioners pursuant to the Board's emergency declaration in response to the housing crisis.

The need:

Data demonstrates that both household income level and proximity to a light rail station reduce the need for parking.

- **Vehicle ownership corresponds to household size and tenure.** Based on information gathered for cities in Oregon:
 - The vast majority of one-person households have zero or one vehicle, two-person households typically have one or two vehicles, and the number of vehicles increases as household size grows.
 - More than one-half and up to two-thirds of renter households have zero or one vehicle, in most jurisdictions, and
 - Owner-occupied households tend to have one to two vehiclesⁱ
- **Providing parking can substantially increase the costs of housing and development both directly and indirectly.** In multifamily developments,
 - One parking space per unit can increase total development costs by approximately 12.5%;
 - Two parking spaces per unit can increase costs by up to 25%.
 - Increased surface parking reduces the maximum potential development density (units per acre) for any given project. These effects are proportionally greatest for smaller, lower-priced units, largely because the cost of a parking space is the same regardless of unit type, size or price.ⁱ

- **The proximity of housing to a light rail station can reduce, but does not necessarily eliminate, the need for a car.** As demonstrated in Figure 1, average demand for parking spaces at apartment developments near light rail stations in the Portland Metro area is 30% less than the supply of spaces, with more than half showing an actual usage at peak demand times of less than one space per unit.ⁱⁱ

Site	Supply per Unit	Peak Demand per Unit	Demand: % diff. from Supply	Demand : % diff. from ITE Rate	Site	Supply per Unit	Peak Demand per Unit	Demand: % diff. from Supply	Demand : % diff. from ITE Rate
Beaverton Creek Station					Gateway Station				
Center Pointe	1.6	1.23	-23.1%	2.5%	Gateway Terrace	1.58	0.53	-66.5%	-55.8%
Elmonica Station					Gateway Park	1.34	0.82	-38.8%	-31.7%
Elmonica Court	1.50	0.90	-40.0%	-25.0%	E. 148th Ave. Station				
Cambridge Crossing	2.15	1.04	-51.6%	-13.3%	Rachel Anne	1.41	0.88	-37.6%	-26.7%
Willow Creek					Dalton Park	1.31	1.17	-10.7%	-2.5%
Wyndhaven	1.35	0.90	-33.3%	-25.0%	E. 162nd Ave. Station				
Quantama Station					Morgan Place	1.31	0.65	-50.4%	-45.8%
Briarcreek Apartments	1.50	1.12	-25.3%	-6.7%	Sequoia Square	0.84	0.79	-6.0%	-34.2%
Quatama Crossing	1.55	1.32	-14.8%	10.0%	Gresham Central Station				
Quatama Village	1.41	1.37	-2.8%	14.2%	Gresham Central	1.44	1.00	-30.6%	-16.7%
Orengo Station					ALL 15 PORTLAND STATIONS				
Orengo Gardens	1.53	0.76	-50.3%	-36.7%	Weighted Average	1.52	1.07	-30.0%	-11.0%

Figure 1: Table excerpt from *Are TODs Over-Parked*. UC Berkeley 2009. <https://escholarship.org/uc/item/655566km>

- **Commercial land use within ¼ - ½ mile of a transit station may impact transportation mode used by area residents and parking needs for nearby housing developments.** The variation of demand for parking spaces in housing complexes near light rail stations suggests that commuting needs may be met, but if shopping, grocery stores or services are not accessible by transit, a vehicle may still be needed. This conclusion is also confirmed in survey data from Portland State University regarding vehicle ownership and usage in transit-oriented (TOD) developments in the region.ⁱⁱⁱ
- Data also suggests that car ownership is lower among households with lower incomes. Based on this data, the parking needs of low and extremely low income residents may be as much as 20-40% lower than the minimum currently required in ZDO 1015^{iv}.

Analysis:

Staff used a variety of resources to develop the proposed recommended changes to the Zoning Development Ordinance needed to implement the above strategy. Staff conducted a literature review, convened a technical working group comprised of individuals with experience and interest in participating and discussing the topic, and reached out to the broader community for input through an online survey.

Key takeaways from these sources:

- Based on survey results, there is some, but not a lot of, public support for reducing parking for multifamily developments; however, there has been general support among technical working group members for lowering multifamily parking requirements, at least for certain developments - those near transit and/or those serving low income households.
- Technical working group members recognize that parking adds to development cost and providing fewer parking spots can increase the affordability of a multifamily development and enable more units to be built on a site. There is also a recognition that proximity to

frequent transit and household income levels affect car ownership and usage and therefore affect needed parking.

- However, concerns were expressed about the implications of providing too little parking, including potential impacts to residential neighborhood streets. In addition, there is a recognition that the commercial corridors in the unincorporated urban area lack connecting streets with on-street parking.
- Based on survey responses, there does not appear to be strong support for reducing parking; however, many survey respondents made reference to Portland and multifamily developments built with no off-street parking, an approach that is not under consideration with this project. There is a little more support for having lower parking requirements near transit than for lower-income households:
 - Only approx. 24% of respondents agreed or strongly agreed that the number of parking spaces should be reduced for multifamily units built for low-income households and/or senior adults; while approx. 37% agreed or strongly agreed that it should be reduced for multifamily units built near major transit stations and/or commercial services.
 - Interestingly though, only approx. 48% agreed or strongly agreed that the amount of parking should remain the same as it is now. Survey results did not make it clear what alternative the remainder preferred, whether it was more or less parking.
- Data summarized above and in *Attachment B4*, indicates that car ownership and parking needs among households with low incomes may be as much as 40% lower than the minimums currently required under the ZDO. Senior households, particularly those with extremely low incomes, may have even lower parking needs.
- Data also shows that proximity to a light rail station can reduce, but does not necessarily eliminate the need for a car.
- Strategies to reduce car-dependency can help reduce negative health impacts associated with climate change.
- Reduced parking would likely only result in more units being developed if used in conjunction with increased density and, in fact, reduced parking requirements may be needed for many urban sites to achieve higher densities because of site constraints and the financial implications of having to construct structured parking if the parking requirements are too high.
- For context, below is the impact of a 0.25 space/dwelling unit reduction for all unit types.
 - The parking requirement for a 100-unit development, containing studio and one-bedroom units, would cause a total of 125 spaces to be required. Reducing that requirement by 0.25 (to 1 space per studio / 1 bedroom unit), if the development were market-rate, 100 parking spaces would be required. A typical range for surface parking stalls is 300-350 square feet. Thus, a reduction of 25 parking stalls could mean approximately 8,000 SF of site area could be used for additional units or additional common area/open space.

- Additional reductions proposed for developments located near a light rail station or served low income households would generate a more significant impact to the site development. For example, if the required amount of parking for a 100-unit development could be reduced 20% to 40%, as proposed, the minimum number of parking stall would be reduced to 60-80 stalls for the same development, thus freeing up an additional 14,000 – 21,000 square feet, or roughly 1/3rd to ½ of an acre, of site area for additional units to be developed or more common area/open space.

Staff recommendations:

We can help ensure that parking needs are met appropriately by ensuring that the ZDO provides more flexibility to be responsive to varying needs of different types of housing development and/or identifies specific minimum parking ratios that more directly correspond to actual vehicle ownership and use for locations near transit and commercial services, and for varying income levels of residents.

- Amend the ZDO to include a slightly lower required parking ratio for general multifamily development, but maintain a requirement of at least 1 space per unit, regardless of number of bedrooms. Add a parking requirement for studio (i.e., 0 bedroom units).

	Minimum parking spaces per unit	
	Current	Proposed
3+ bedroom	1.75	1.5
2 bedroom	1.5	1.25
0-1 bedroom	1.25*	1.0

* No parking ratio currently exists in the ZDO for studio units

- Provide for a reduced required parking ratio for units guaranteed to be affordable and those within close proximity of a light rail station. This can be achieved in two ways:
 - Option 1: A fixed hierarchy. Add a specific parking ratio for each situation in which a reduction could be obtained. Rather than create an additional table with each bedroom iteration, this can be accomplished by assigning a percentage reduction that would be available for each type as follows, with an overall maximum reduction of 40% allowed:

Minimum parking spaces per multifamily unit	
Units affordable at 31%-60% of the area's median family income (MFI)	20% reduction
Units affordable at <30% MFI	40% reduction
Units within ¼ mile of a light rail station	40% reduction

Option 2: Development-specific reductions. Add language for a parking reduction, to be determined on a case-by-case basis, based on study or other evidence that fewer spaces are needed, with a maximum overall reduction of up to 60% (or some other specified amount). This option would require additional data to be provided at the time of application for land use approval.

- From a practical standpoint, the fixed hierarchy would be simpler and less subjective to administer and would create more predictability for a developer; however the development-

specific option would provide more flexibility and allows each project to be evaluated on its merits with notice to neighbors.

- At the January 21, 2021 Working Group meeting, several members expressed support for a “hybrid” version of Options 1 & 2 – providing a set reduction for affordable units, with additional options for reductions to be reviewed on a case-by-case basis. In the proposed amendments to Section 1015, *Parking and Loading* staff will included a proposal to create such a hybrid.
- The ZDO currently allows developments in the commercial districts to count abutting on-street parking spaces toward the required parking ratio. This provision would remain, as would other exceptions and current options for reducing the parking minimums like shared parking, electric charging stations and motorcycle parking (found in Subsection 1015.02(D)).

ⁱ *PARKING AND MIDDLE HOUSING Analysis of Demand and Impacts – Implications for Middle Housing Rulemaking*. DLCD Fact sheet RELEASED: March 30, 2020

ⁱⁱ *Are TODs Over-Parked?* UCTC Research Paper No. 882 Robert Cervero, Arlie Adkins, and Cathleen Sullivan, University of California, Berkeley 2009. <https://escholarship.org/uc/item/655566km>

ⁱⁱⁱ PSU data: Findings from 2018 TOD Surveys and 2014 TOD Surveys: Findings (February 8, 2015). Jennifer Dill, Ph.D. and Nathan McNeil.

^{iv} Hillsboro Parking data 2018 from Brian Davis at Lancaster Mobley.

Strategy 3: Affordable Housing Bonus - Consider providing a tiered density bonus for inclusion of affordable housing

Current status:

ZDO Section 1012 provides for a very limited density bonus if a development includes affordable housing for low-income households. A housing project can get 1 unit (market rate or affordable) beyond the base density for each affordable unit developed, up to 8% of base density (Table 1012-1); therefore, if the allowable density is 100 units and a project proposes to make at least 8 of those affordable, they may add an additional 8 units, for a total of 108. This bonus is rarely used and, even when used, it does not result in a significant number of additional affordable units.

The need:

- **More affordable housing units are needed in the urban unincorporated area.** In general, for housing to be “affordable” to a household, it needs to cost less than 30% of that household’s income. When households are “cost burdened”, it means they are spending more than 30% of their income on housing.
 - Approximately 36% of all households and 47% of renter households in the urban unincorporated area are cost burdened and in need of housing that is more affordable (Figure 1).ⁱ
 - According to the county’s Housing Needs Analysis, minorities will make up a larger share of young households and constitute a significant source of demand for more affordable owner-occupied and rental housing units nationwide over the coming decades.
 - “Affordable housing,” as related to density bonuses, means **housing** that is deemed **affordable** to those at or below the area’s median family income (MFI), as defined by the US Department of Housing and Urban Development (HUD). Building affordable housing for low-income households generally requires subsidies to offset construction costs and to ensure the housing units retain their level of affordability in the future. Currently, there is a substantial lack of housing in urban Clackamas County that is affordable to low-income households earning at or below 50% MFI (Figure 2).

Housing Cost Burden by Tenure, Urban Unincorporated Clackamas County, 2012-2016

Source: U.S. Census Bureau, 2012-2016 ACS Tables B25091 and B25070.

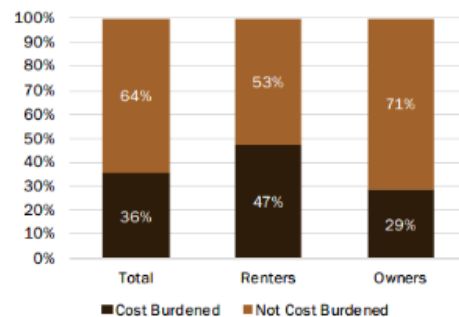


Figure 1: Exhibit 57 Clackamas County Housing Needs Analysis. 2019

Affordable Housing Costs and Units by Income Level, Urban Unincorporated Clackamas County 2018

Source: U.S. Census Bureau, 2013-2017 ACS. Note: MFI is Median Family Income, determined by HUD for Clackamas County.

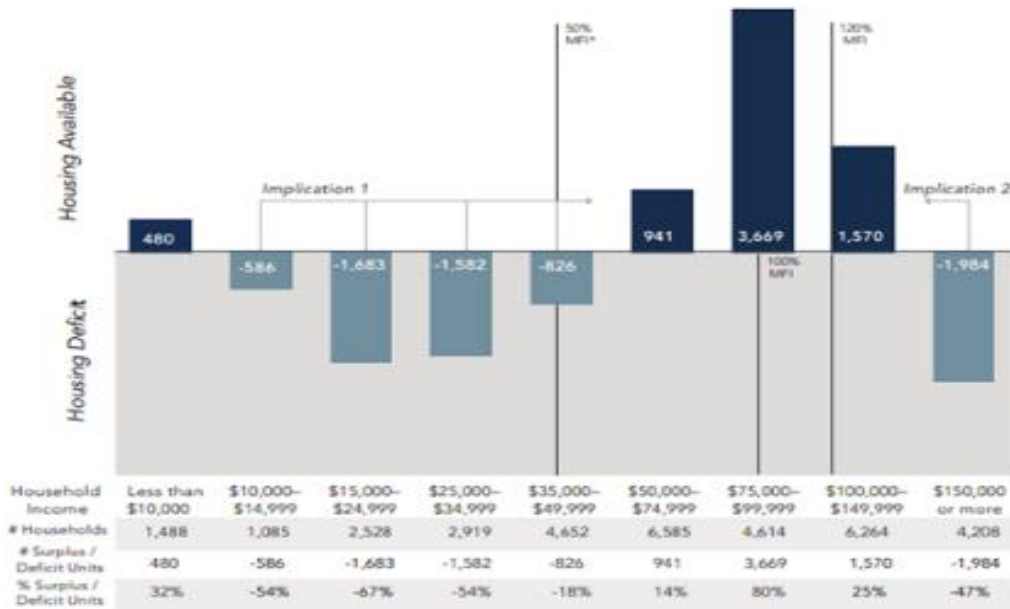


Figure 2: Exhibit 68 Clackamas County Housing Needs Analysis 2019

Analysis:

To make a bonus program attractive to a developer, it must be calibrated so that the cost of providing the affordable units is offset by the increased revenue the developer can make from the additional market-rate units that are able to be built through the bonus. (In general, affordable units rent for less than they cost to finance and operate, and must be sold/rented for less than they cost to build.) If providing the affordable units would cost more than just building a market-rate development without a bonus, a developer will probably not participate in the bonus program.

- Other cities and counties in Oregon allow for up to a 50% density bonus for affordable housing.
- Additional tools may be made available to developers to provide incentives for the development of affordable units. Some local jurisdictions couple affordable housing density bonuses with flexibility with other development standards like setbacks, parking, or maximum building height. Other tools could include reductions on taxes and/or certain development fees (which would be beyond the scope of zoning code amendments, but could be considered by other departments).

Staff used a variety of resources to develop the proposed recommended changes to the Zoning Development Ordinance needed to implement the above strategy. Staff conducted a literature review, convened a technical working group comprised of individuals with experience and interest in participating and discussing the topic, discussed the issue with several affordable housing developers in the region, and reached out to the broader community for input through an online survey.

Key takeaways from these sources:

- The current bonus for providing affordable housing is so low that it is rarely used and, even when used, produces a nominal number of additional units.
- The technical working group discussed the need to incentivize or facilitate the development of more housing available to lower-income households. This includes very-low income households, earning less than 30% of the area's median family income (MFI), but they also indicated that it should include working households that earn up to 80% MFI. There was general support among technical working group members that there is a need to amend the county's affordable housing bonus.
- The on-line survey asked if respondents supported the statement: "Provide a larger residential density bonus to developers who commit to providing more affordable housing units." Just under 50% agreed or strongly agreed that a larger residential density bonus should be provided for affordable housing.
- After reading the comments left in the survey, a few items became apparent:
 1. The options given for this questions were confusing and perhaps incomplete.
 2. There is public support for finding ways to provide and even to require affordable housing be built with developments, especially as a part of a mixed-income developments and/or communities with access to parks and greenspace.
 3. There is also a fair amount of concern about perceived negative impacts of adding more affordable housing to certain communities as well as taking away green spaces/open spaces for this additional housing.
- While the county's density bonus applies to all urban residential zoning districts, it applies differently to the low density (single-family) zoning districts. Focusing the changes to the bonus for multifamily developments in urban zoning districts is appropriate at this time because the Urban Low Density residential Districts will be the focus of the Phase II work in the Housing Strategies project, and specifically the code amendments related to the "middle housing" bill, HB 2001 and that may be a better time to discuss whether this bonus should change in those districts.
- Listed multifamily zoning districts in which the bonus could apply have a maximum density that ranges from 12 to 25 DU/acre. Increasing the maximum bonus for these districts, even as high as 50% would still result in maximum density allowances (18 to 37.5 DU/acre) that are well below what is being considered for the commercial zones.
- Providing a higher bonus for affordable housing could have a meaningful impact on the number of new units developed, but it is likely that, in many locations, these higher densities could only be achieved on sites and meet all applicable site design standards if less parking can be provided. Most, if not all, other jurisdictions researched provide a lower parking ratio for affordable housing coupled with the density bonus.
- There are two options for "sliding scale" bonuses that are used by other jurisdictions. Based on developer conversations, it is not clear that there was a lot of added value in having a

sliding scale for bonuses based on differing income levels served in Option 1 or that Option 2 would entice market-rate developers to include affordable units in their developments, but these are methods frequently used by other jurisdictions and are intended to try to incentivize the production of affordable units.

- Option 1: Scaled bonus based on affordability level of units. Under this option, a larger bonus would be offered for units that serve lower income households. For example, for units affordable at or below 30% MFI, a developer would get up to a 50% increase over the base density, but for units at 60% MFI, the developer would get up to a 10% maximum bonus on the base density.
- Option 2: Scaled bonus based percentage of affordable units in a development. Under this option, a larger bonus would be offered for projects that provide a higher proportion of units at affordable rents or sales prices. For example, projects that offer at least half (50%) of the total units at or below 60% MFI would get up to a 50% increase over the base density, but projects that offer only 30% of the units at or below 60% MFI would get up to a 30% increase over the base density.
- Conversations with affordable housing developers about the bonus provided the below information:
 - Affordable housing is difficult to get built, particularly units that are affordable at 30% MFI. The costs of construction coupled with the often-complicated financing structure means that the more units a developer can fit on a site, the more likely the project is to get built, so costs can be spread among more units and, to some extent, higher priced units can help subsidize lower priced ones.
 - Developers of affordable housing generally build affordable housing and not market-rate or mixed-income. Market-rate developers generally build market-rate housing and are often not familiar with navigating the complicated financing process for affordable units. From an operational standpoint, a building with both market-rate and affordable units can be more difficult to manage and more difficult to lease. For these reasons, the market will typically build either market rate or affordable in a single project, not both.
 - Because the financing for these developments is so complicated, having simple, straight-forward zoning regulations and an uncomplicated bonus system is preferred.

Conclusions:

Staff understands that this is not a simple issue and there is no simple answer. We do know that the current bonus for affordable housing is ineffective, at least in part because it does not provide enough of an incentive to generate enough additional units to effectively “move the needle” on the deficit of housing units available to low and very low income households.

Since Phase 2 of the Land Use Housing Strategies project will discuss changes in single family residential zones, the recommendation focuses on changes to the affordable housing bonus in multi-family zones.

While some jurisdictions use a sliding scale for density bonuses across a range of income levels, staff is recommending a single density bonus to address a specific income level. This will provide for a simple, straight forward code regulation instead of a more complicated system.

The affordable housing density bonus should also be paired with specific reductions in parking requirements to achieve the maximum benefit.

Staff recommendation:

- A. Staff recommends increasing the affordable housing bonus – or number of additional units above the maximum density – that could be approved in a multifamily development with units.
- B. Staff also recommends including a specific income level (in terms of % MFI) at which the units would need to be maintained in order to qualify for this bonus and amending the table to be clear that this bonus would apply to multifamily developments in commercial zoning districts.
- C. Staff recommends the simplest amendment and the one that provides developers with the most flexibility. This would be to increase the maximum increase in the multifamily districts from 8% up to another set amount. In this case staff is recommending 50%.

ⁱ Clackamas County Housing Needs Analysis. 2019
<https://dochub.clackamas.us/documents/drupal/c1526329-f9c4-4281-af84-1c58d8a5e15f>

Land Use Regulations Related to Housing, Phase 1

Clackamas County, like many other regions across the country, doesn't have enough housing -- and housing that people can afford -- to meet the needs of its residents.

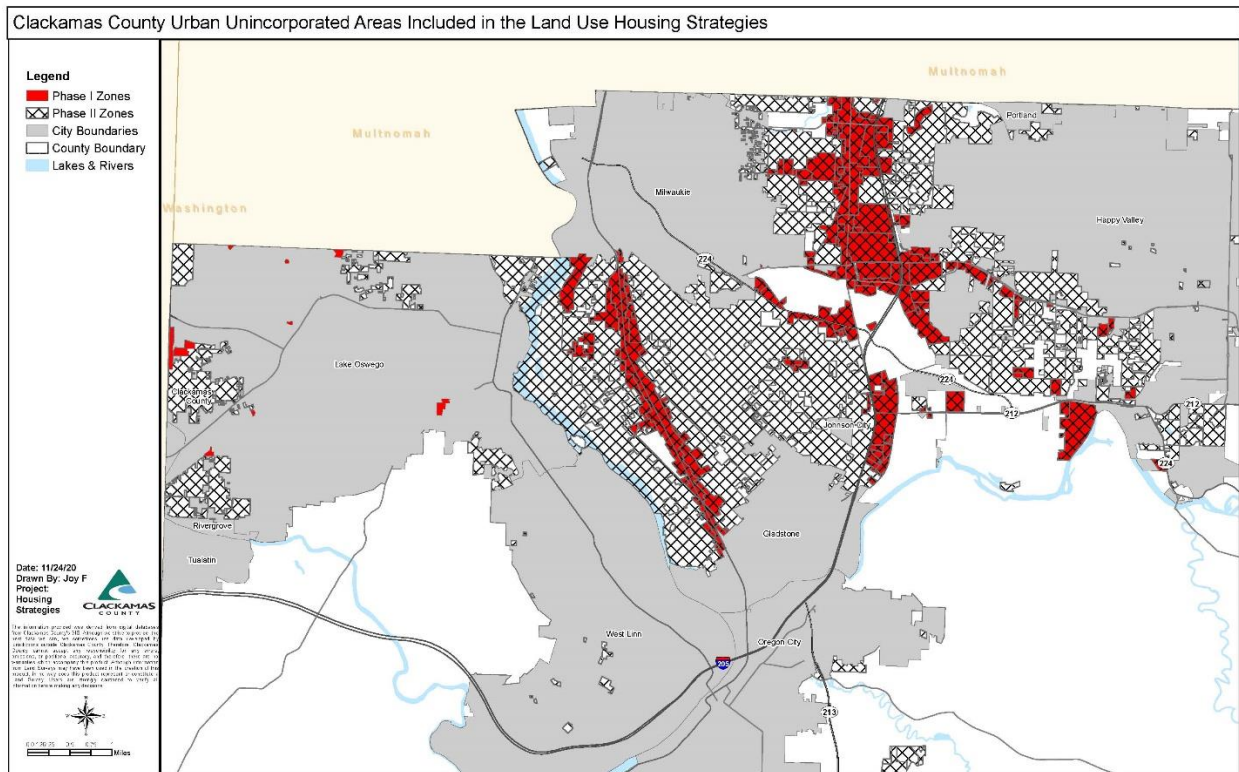
One way Clackamas County can help is to make sure its land use and zoning regulations allow for different types of housing -- apartments, manufactured homes, single-family homes, townhouses, etc. To help make that happen, the Planning & Zoning Division is considering changing regulations to allow for more flexibility in housing development in urban unincorporated areas of the county (see map below).

These changes will be considered in three phases, each with a focus on different housing types and in different locations in the urban unincorporated area (cross-hatched areas on map). Phase 1 -- under way now -- is focused primarily on multi-family housing (apartments/condos) and specifically on housing density in commercial zones (red areas on map), parking requirements for multifamily residential developments and affordable housing bonuses. Later phases will focus on changes in land use regulations for housing found primarily in residential zones.

Please take a few minutes to learn more about the Phase 1 options being considered and let us know how you feel about them. The responses we receive from this survey will be taken into consideration as we draft amendments to our land use zoning code. Thank you.

Question Title

Areas being considered in Phase 1: Urban unincorporated (cross-hatched); commercial (red)



I. DENSITY

Land use regulations often limit housing density -- the number of dwelling units that can be built on an acre of land. The county is considering increasing the housing density allowed for multi-family housing on some land that is zoned for commercial uses (retail, services, offices, restaurants, entertainment, etc.).

Right now, Clackamas County code allows for multi-family homes (apartments, duplexes, townhomes, etc.) to be built in most commercial zones, but in many areas limits the housing to 25 units per acre. Increasing the number of housing units allowed near commercial areas and job centers could substantially improve housing opportunities for people who want, or need, to be closer to such services.

The following questions give you a chance to let us know how you feel about some possible ways to change this.

1. Please let us know which types of new residential/housing development you would prefer to see in commercial zones.



Low-rise (2-3 stories)



Mid-rise (3-5 stories)



Higher-rise (5-8 stories)

II. PARKING

Parking requirements can impact the type of housing that developers can afford to build and that people can afford to rent or buy. Constructing parking spaces can be a significant cost for multi-family housing developments, which then can result in increased rents or sales prices. While reducing the number of required parking spaces could provide space for more housing units, not providing enough parking could lead to people parking on neighboring streets, which also can be a problem.

Right now, the county requires all multi-family residential developments to provide 1.25 to 1.75 parking spaces per housing unit, depending on the number of bedrooms, with no exceptions for type of housing, access to transit or other considerations.

Modifying parking standards could provide expanded housing opportunities. The following questions give you a chance to let us know how you feel about possible ways to change this.

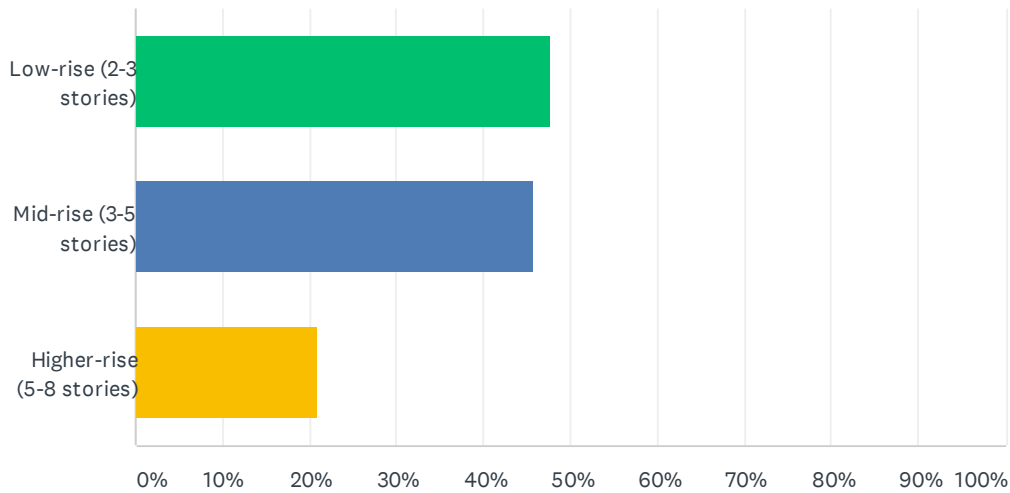
III. AFFORDABLE HOUSING BONUSES

Some jurisdictions allow a developer to build more housing units or a taller building, and change other standards (such as parking, landscaping, etc.) in exchange for ensuring that some units are affordable for lower income households. This is commonly referred to as an “affordable housing bonus”.

Right now, Clackamas County has a minimal and rarely used affordable housing bonus -- 1 additional unit allowed for each affordable unit, up to 8% of base density. (For example, if the allowed density is 100 units and a developer proposes to make eight or more units affordable, they could add up to eight units to the project.) We are considering ways to provide a more meaningful affordable housing bonus that would provide incentives for developers to build affordable units.

Q1 Please let us know which types of new residential/housing development you would prefer to see in commercial zones.

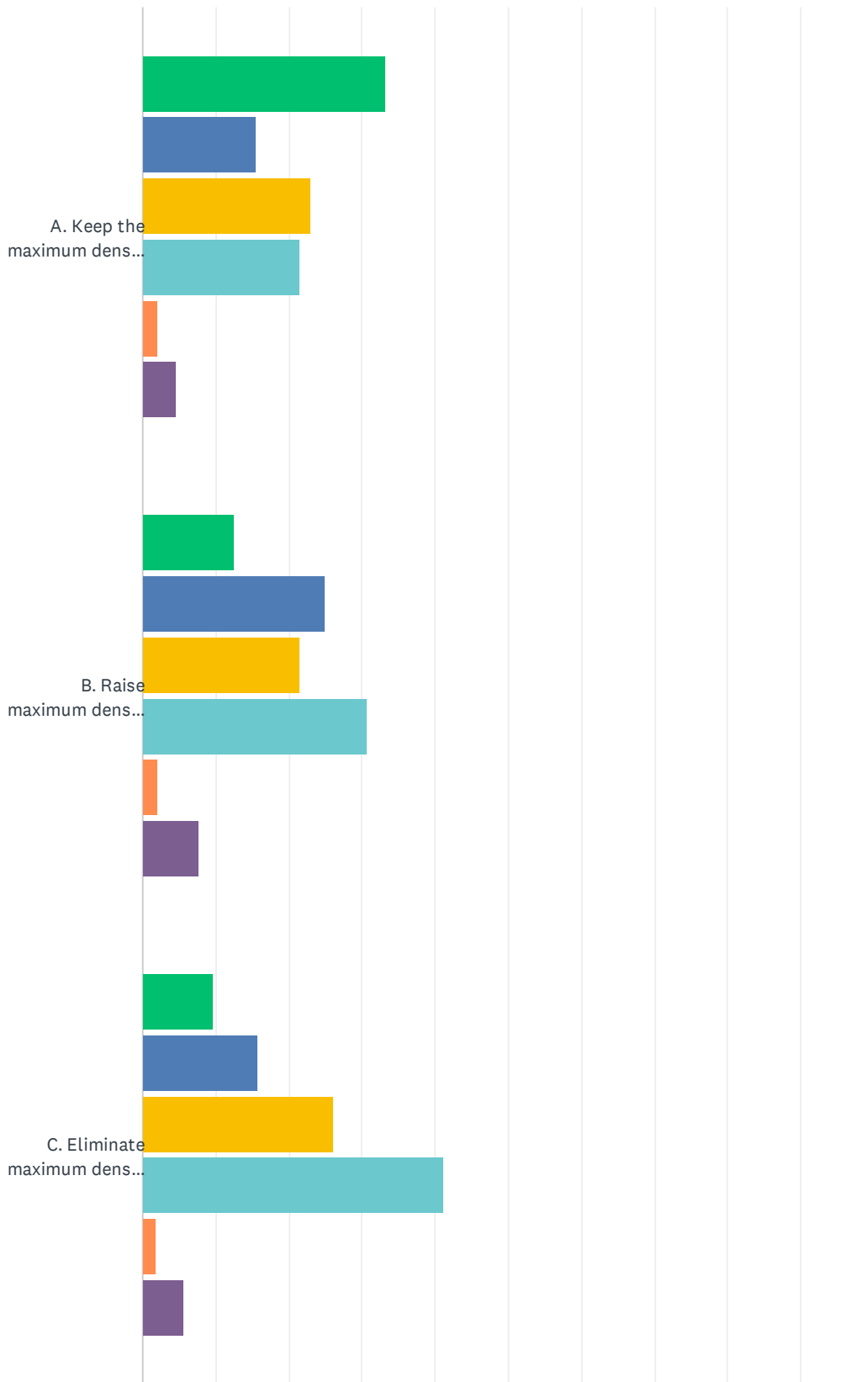
Answered: 514 Skipped: 59

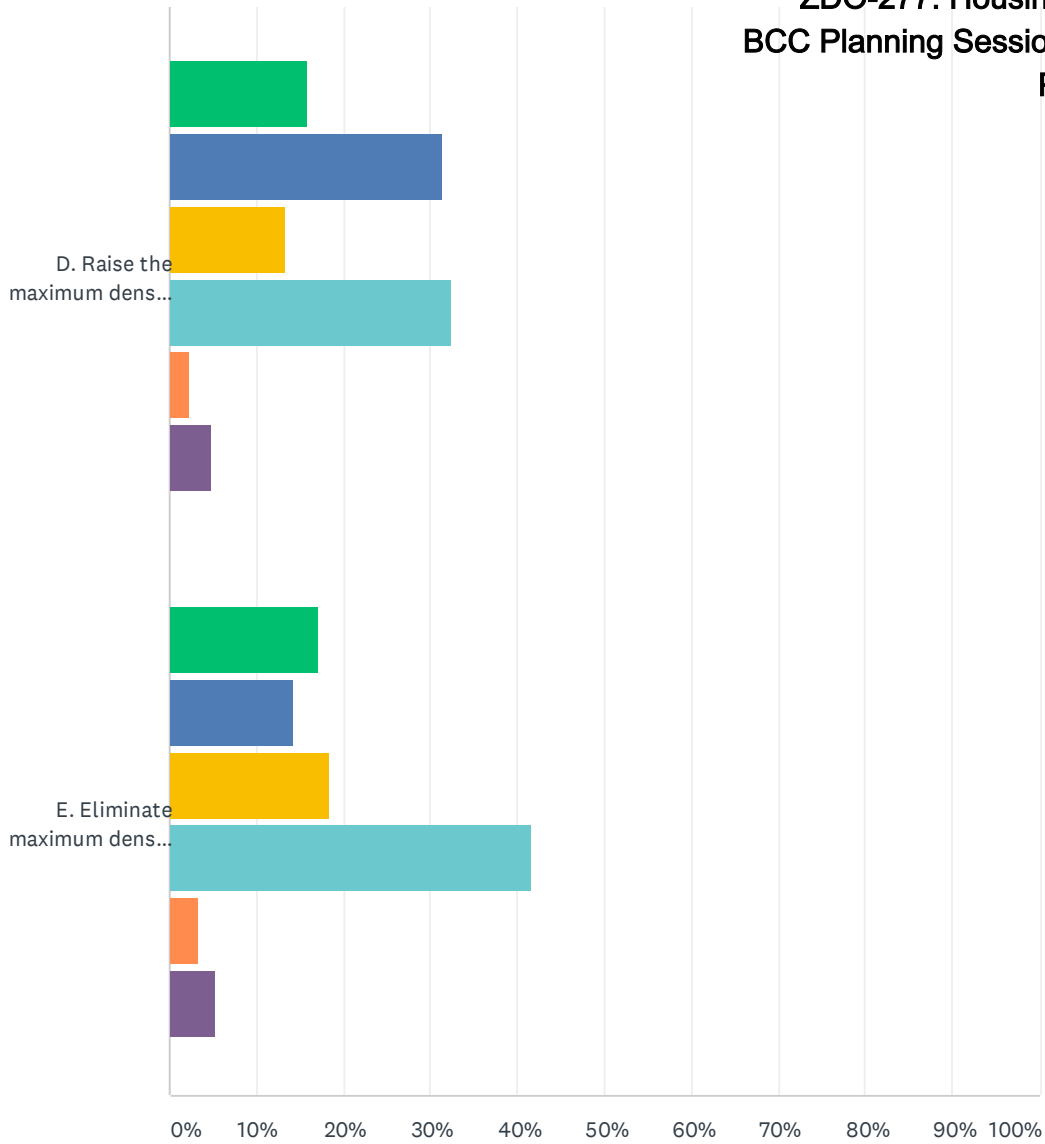


ANSWER CHOICES	RESPONSES	
<input type="checkbox"/> Low-rise (2-3 stories)	47.67%	245
<input type="checkbox"/> Mid-rise (3-5 stories)	45.91%	236
<input type="checkbox"/> Higher-rise (5-8 stories)	20.82%	107
Total Respondents: 514		

Q2 For each of the following six statements, let us know if you agree, disagree, have no opinion or need more information.

Answered: 571 Skipped: 2





Strongly agree Agree Disagree Strongly disagree
No opinion/don't know Need more information

ZDO-277: Housing Strategies

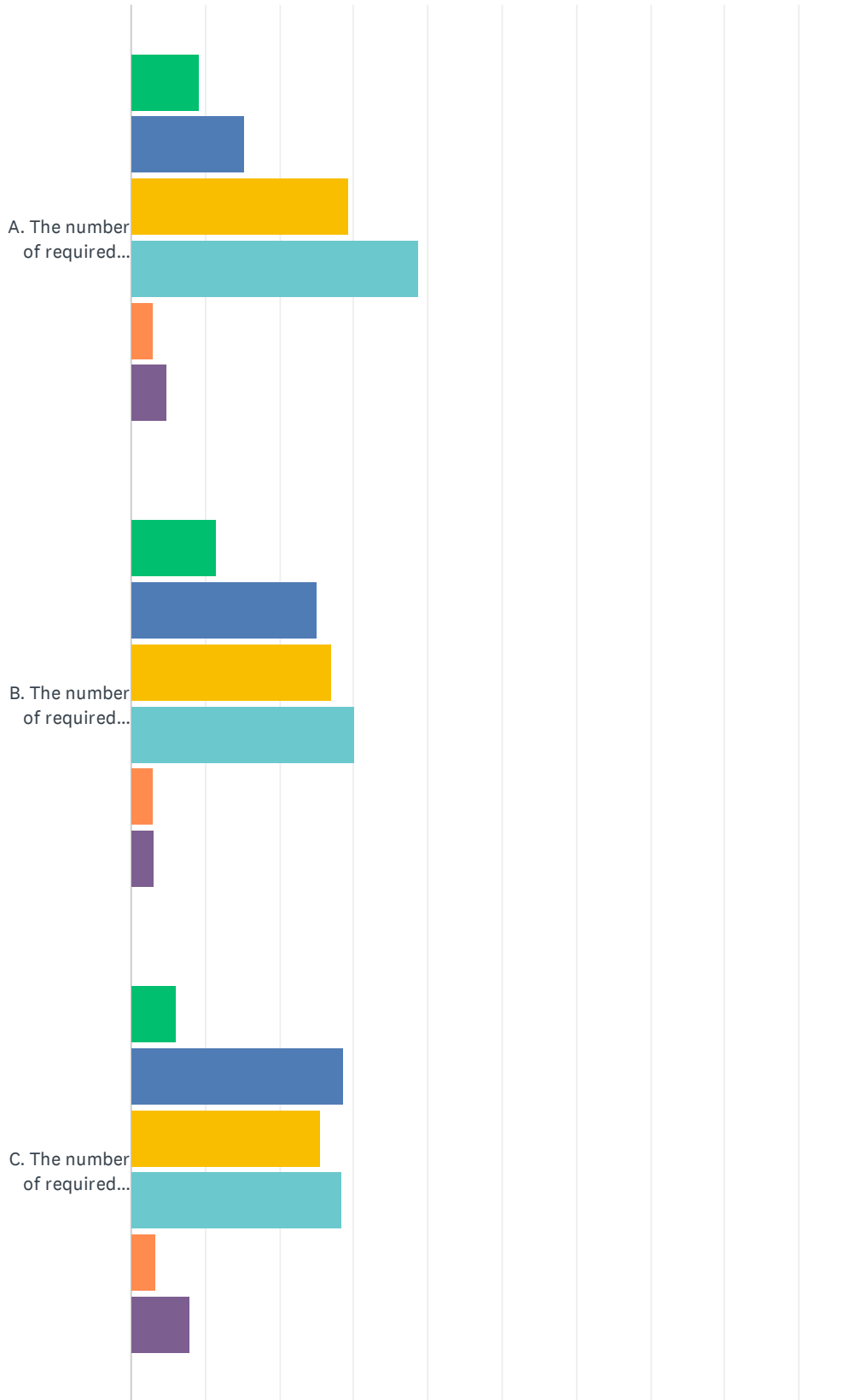
BCC Planning Session 4-28-2021

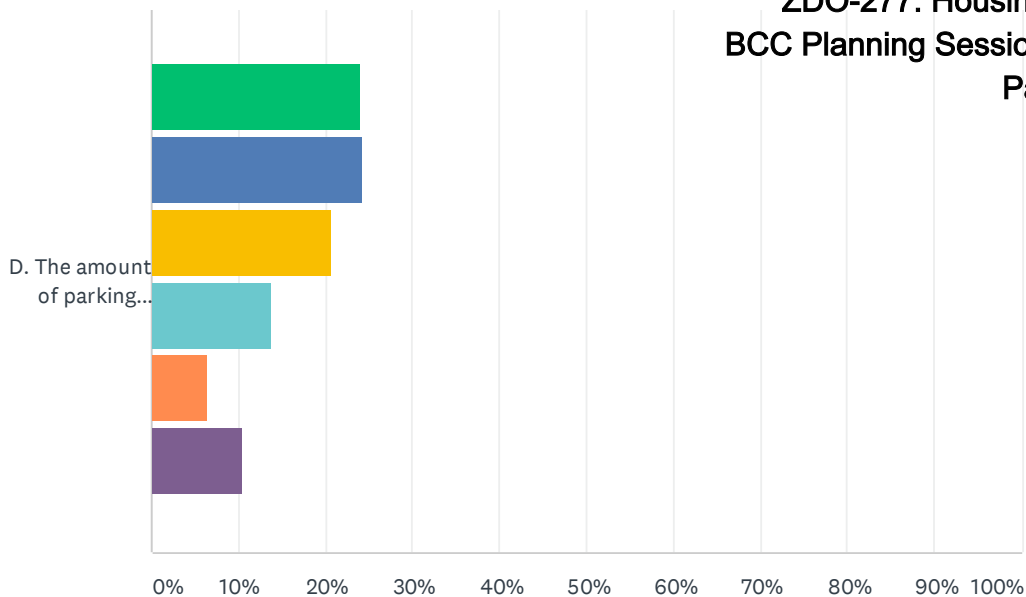
Page 8 of 23

	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	NO OPINION/DON'T KNOW	NEED MORE INFORMATION	TOTAL
A. Keep the maximum density limits for housing in commercial zones at 25 units/acre to limit options to low-rise (2-3 stories) housing development.	33.22% 188	15.55% 88	22.97% 130	21.55% 122	2.12% 12	4.59% 26	566
B. Raise maximum density limits only for low-income housing in commercial zones so there can be mid-rise (3-5 stories) housing development.	12.66% 71	24.96% 140	21.57% 121	30.84% 173	2.14% 12	7.84% 44	561
C. Eliminate maximum density limits only for low-income housing developments in commercial zones so there can be mid-rise (3-5 stories) and higher-rise (5-8 stories) housing development.	9.57% 54	15.60% 88	26.06% 147	41.13% 232	1.95% 11	5.67% 32	564
D. Raise the maximum density limits for all housing in commercial zones above the current 25 units/acre, to allow for mid-rise (3-5 stories) housing development.	15.84% 89	31.32% 176	13.35% 75	32.38% 182	2.31% 13	4.80% 27	562
E. Eliminate maximum density limits for all housing in commercial zones, to allow for low-rise (2-3 stories), mid-rise (3-5 stories) and higher-rise (5-8 stories) housing development.	17.05% 96	14.21% 80	18.47% 104	41.56% 234	3.37% 19	5.33% 30	563

Q4 For each of the following four statements, let us know if you agree, disagree, have no opinion or need more information.

Answered: 571 Skipped: 2



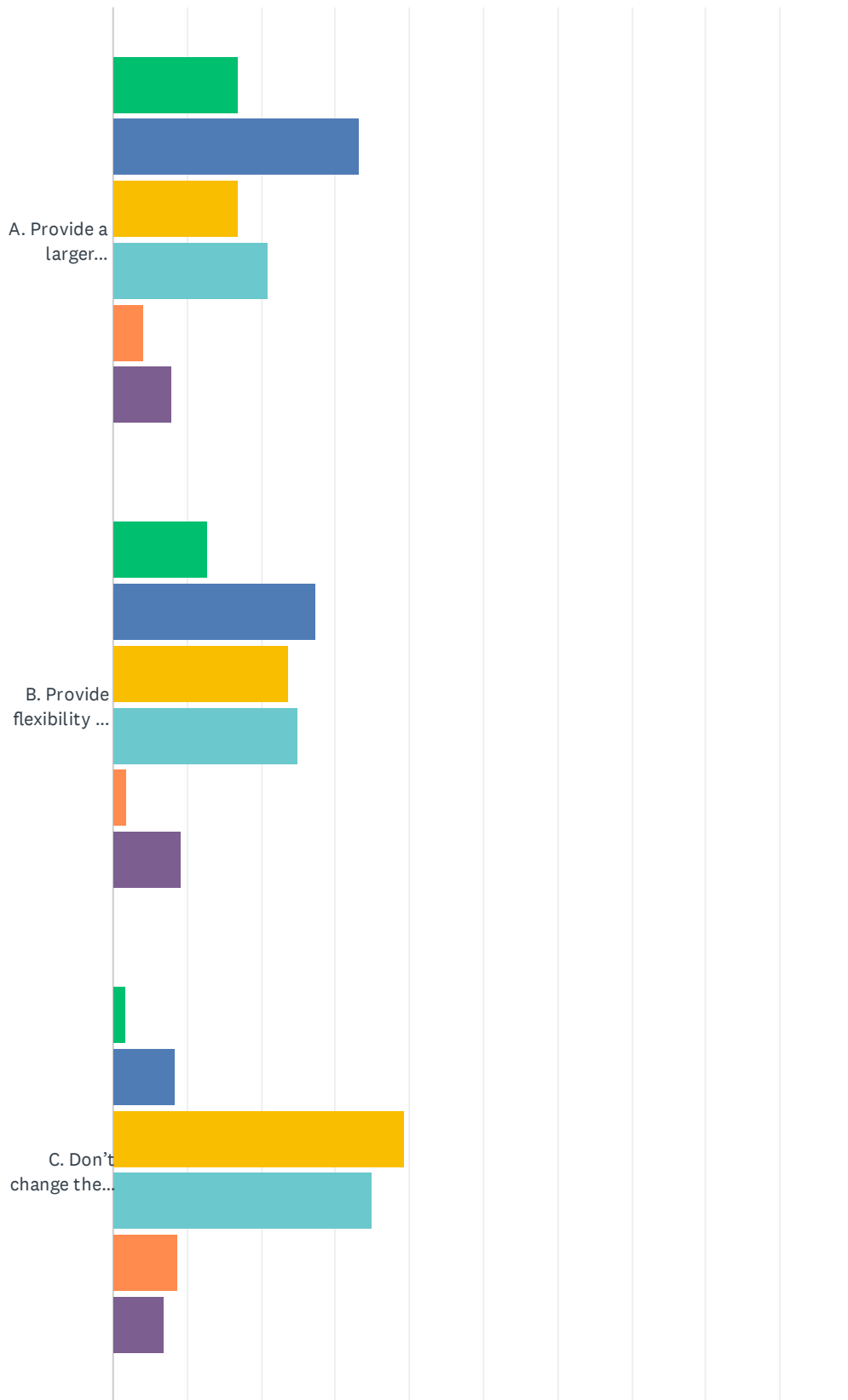


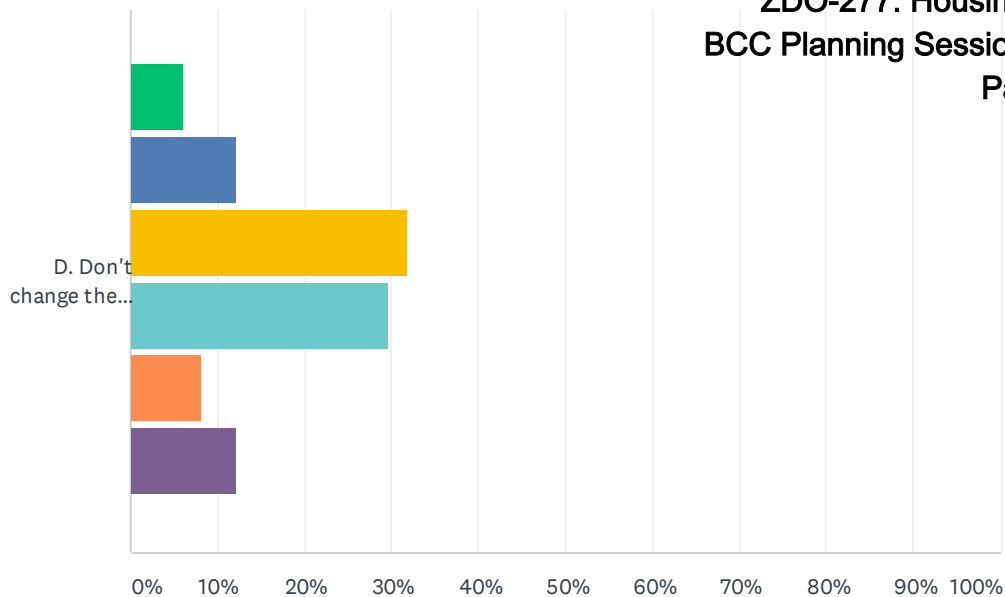
■ Strongly agree
 ■ Agree
 ■ Disagree
 ■ Strongly disagree
■ No opinion/don't know
 ■ Need more information

	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	NO OPINION/DON'T KNOW	NEED MORE INFORMATION	TOTAL
A. The number of required parking spaces should be reduced for multi-family housing units built for low-income households and/or for senior adults.	9.20% 52	15.22% 86	29.20% 165	38.76% 219	2.83% 16	4.78% 27	565
B. The number of required parking spaces should be reduced for multi-family housing units built near major transit stations and/or commercial services.	11.57% 65	25.09% 141	27.05% 152	30.07% 169	3.02% 17	3.20% 18	562
C. The number of required parking spaces should stay the same, but developers should have the option to build fewer spaces if they can demonstrate that the residents will not need that much parking.	6.05% 34	28.65% 161	25.44% 143	28.47% 160	3.38% 19	8.01% 45	562
D. The amount of parking required at housing developments should remain the same as it is now.	24.11% 136	24.29% 137	20.74% 117	13.83% 78	6.56% 37	10.46% 59	564

Q6 For each of the following statements, let us know if you agree, disagree, have no opinion or need more information.

Answered: 569 Skipped: 4





■ Strongly agree
 ■ Agree
 ■ Disagree
 ■ Strongly disagree
■ No opinion/don't know
 ■ Need more information

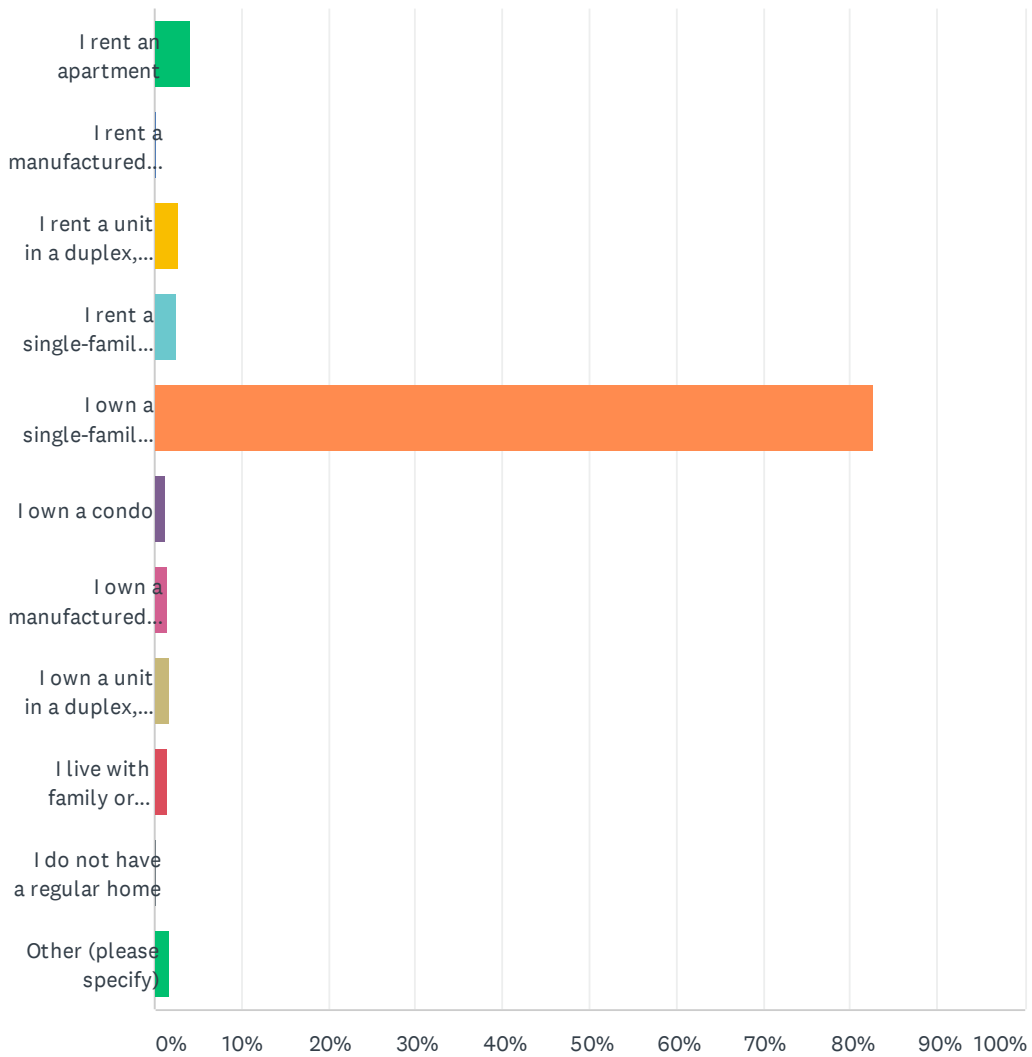
	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	NO OPINION/DON'T KNOW	NEED MORE INFORMATION	TOTAL
A. Provide a larger residential density bonus to developers who commit to providing more affordable housing units.	16.87% 95	33.21% 187	16.87% 95	20.96% 118	4.09% 23	7.99% 45	563
B. Provide flexibility in other development requirements (such as parking, open space or roadside improvements) to developers who commit to providing more affordable housing units.	12.86% 72	27.50% 154	23.57% 132	25.00% 140	1.96% 11	9.11% 51	560
C. Don't change the affordable housing bonus, but reduce the parking requirement.	1.60% 9	8.35% 47	39.25% 221	34.99% 197	8.88% 50	6.93% 39	563
D. Don't change the affordable housing bonus, but remove maximum density limits for all multi-family affordable housing developments in commercial and multi-family zoning districts.	6.12% 34	12.23% 68	31.83% 177	29.68% 165	8.09% 45	12.05% 67	556

Q7 Please share any comments, suggestions or questions you have about affordable housing density bonus.

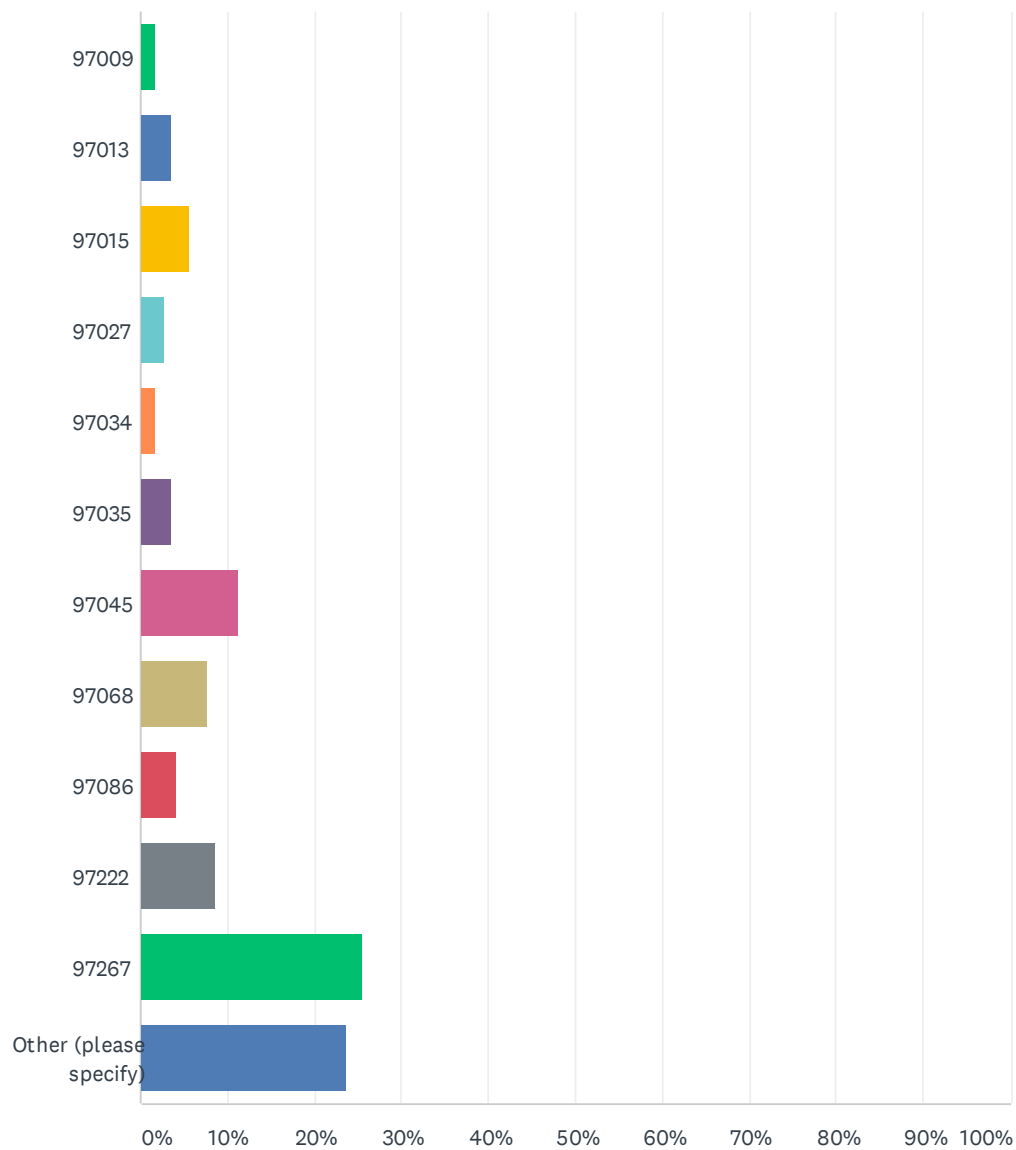
Answered: 151 Skipped: 422

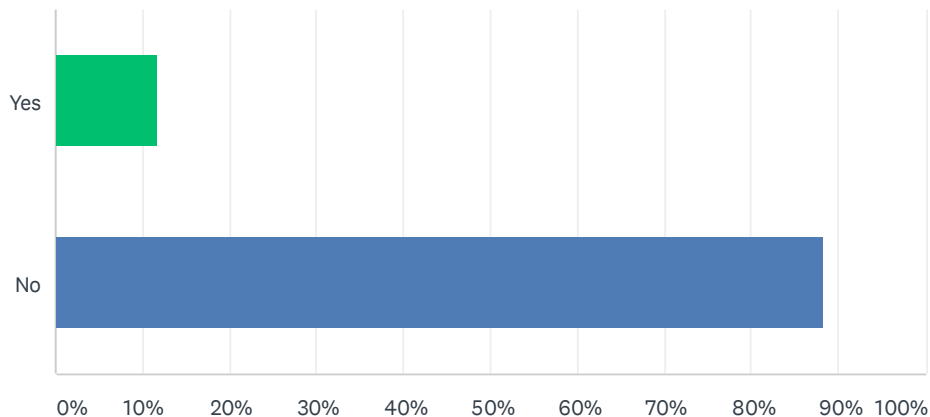
Q8 What type of residence do you live in? (Please check the response that most closely reflects your situation.)

Answered: 567 Skipped: 6



ANSWER CHOICES	RESPONSES	
I rent an apartment	4.23%	24
I rent a manufactured or mobile home	0.18%	1
I rent a unit in a duplex, townhouse, quad or other multi-family building	2.65%	15
I rent a single-family home	2.47%	14
I own a single-family home	82.72%	469



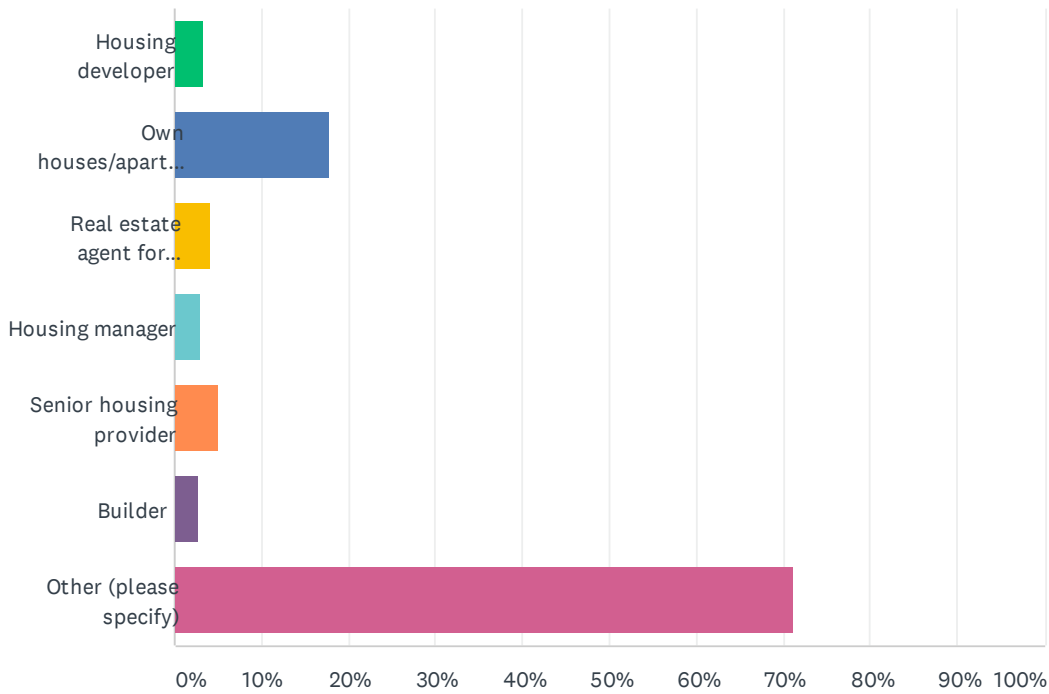


ANSWER CHOICES

RESPONSES

Yes

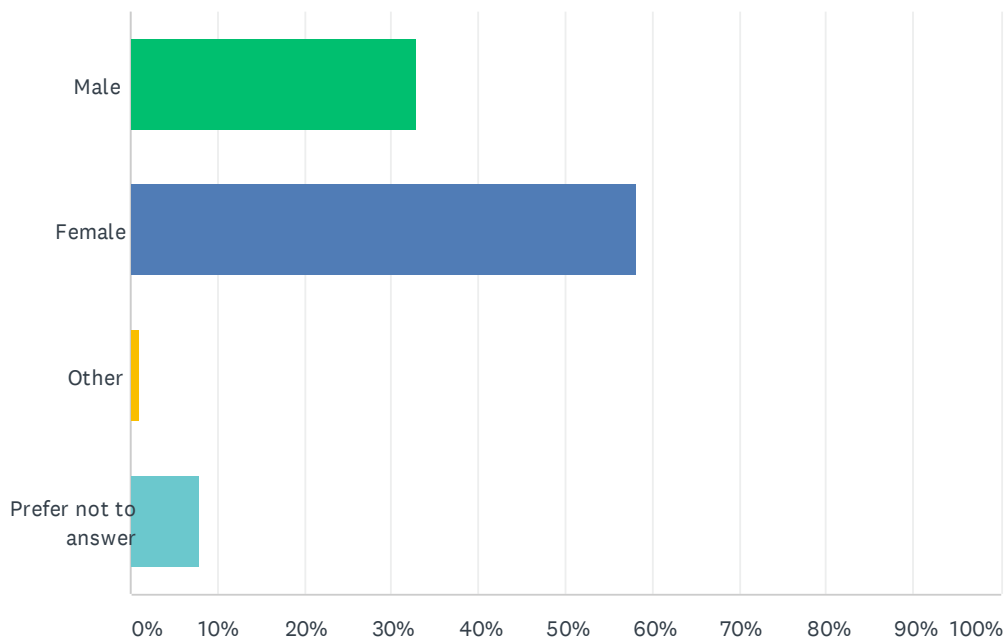
No



ANSWER CHOICES

RESPONSES

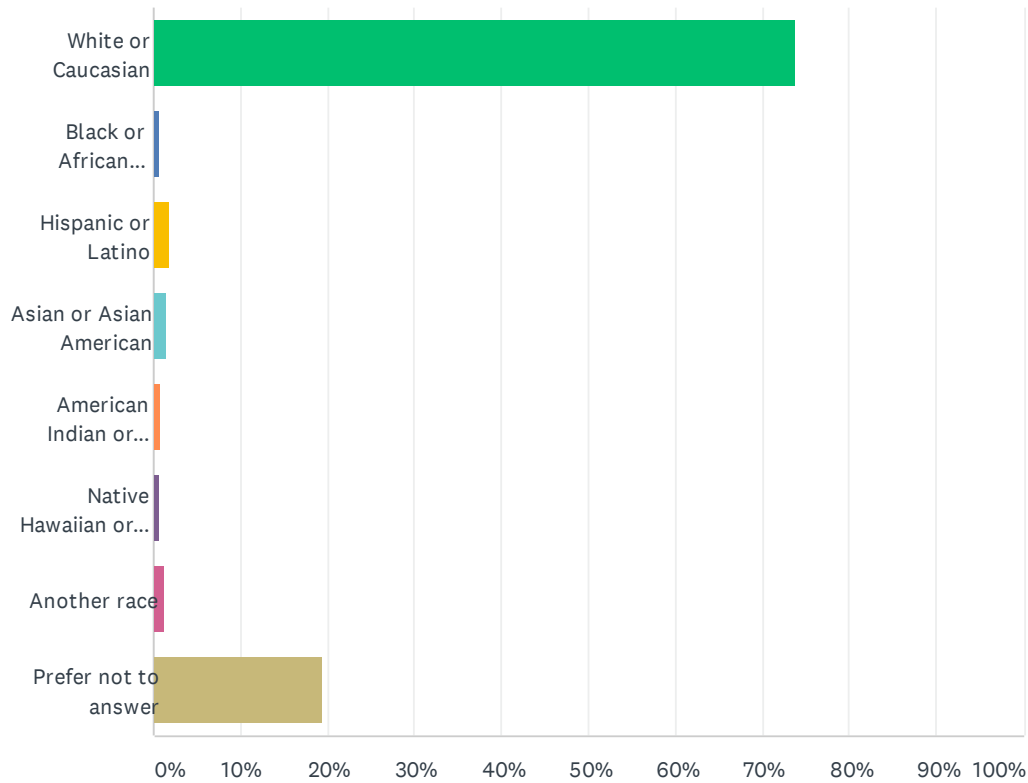
- Housing developer
- Own houses/apartments/condos/manufactured homes that I rent to others
- Real estate agent for residential properties
- Housing manager
- Senior housing provider
- Builder
- Other (please specify)



ANSWER CHOICES

RESPONSES

- Male
- Female
- Other
- Prefer not to answer



ANSWER CHOICES

RESPONSES

White or Caucasian

Black or African American

Hispanic or Latino

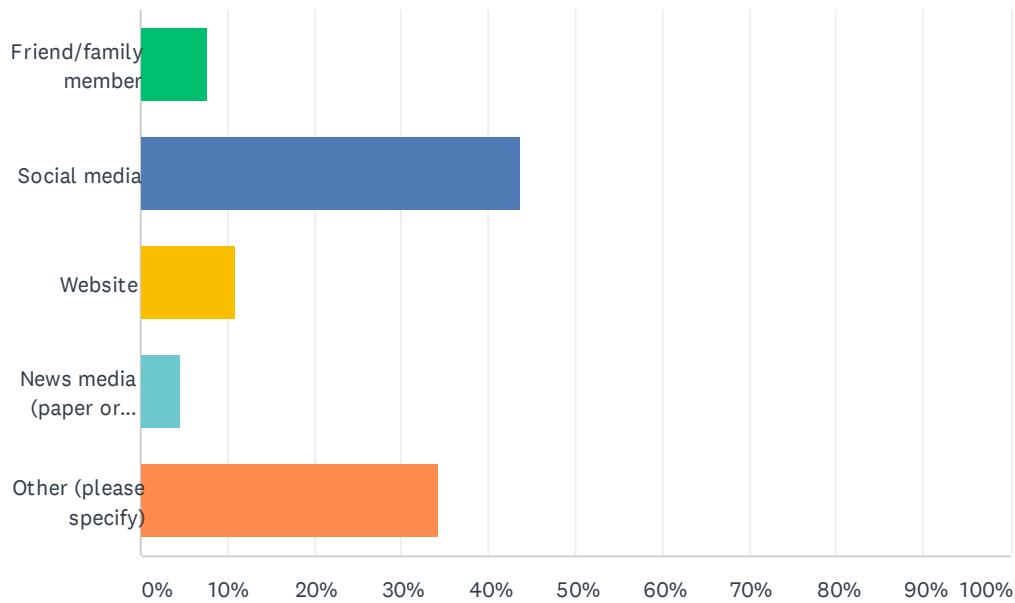
Asian or Asian American

American Indian or Alaska Native

Native Hawaiian or other Pacific Islander

Another race

Prefer not to answer



ANSWER CHOICES

RESPONSES

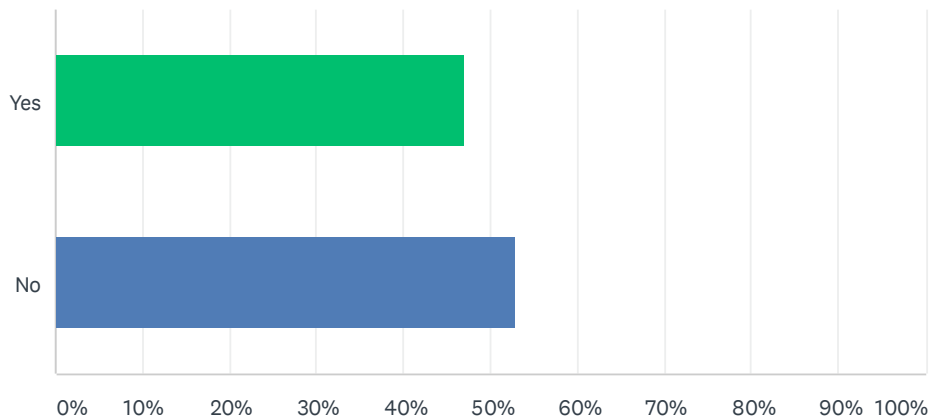
Friend/family member

Social media

Website

News media (paper or online)

Other (please specify)



ANSWER CHOICES

RESPONSES

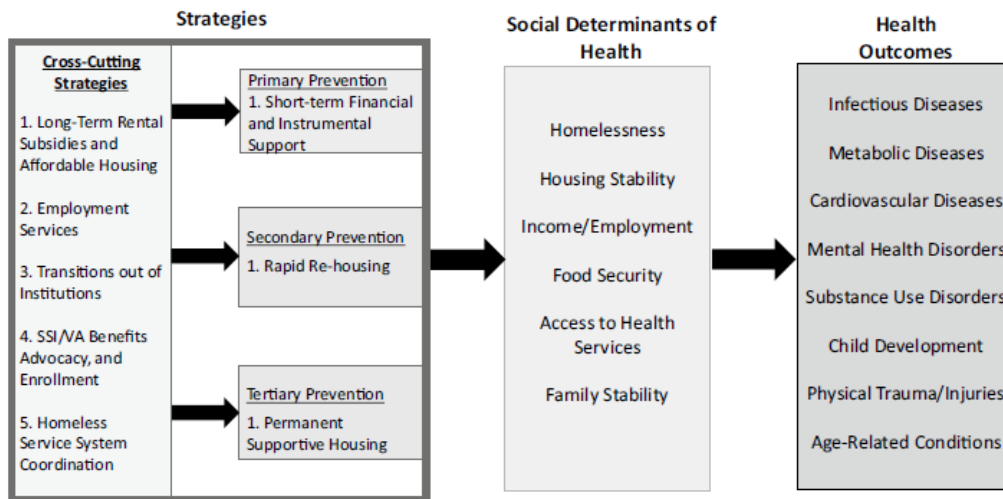
Yes

No

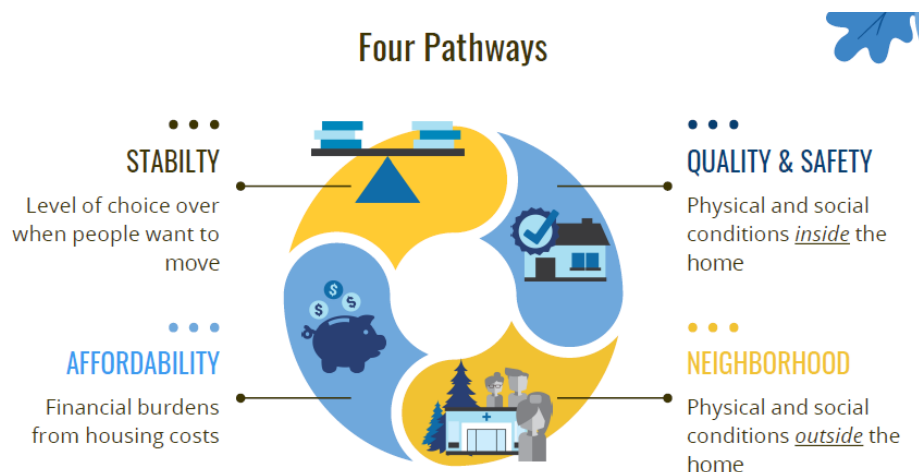
To: DTD Land Use Housing Strategies Staff
From: Abe Moland, Health and Transportation Impact Planner
Subject: DTD Housing Strategies - Health Equity Lens
Date: January 13th, 2021

Housing + Health Frameworks

Housing is a primary determinant of community health, and an evidence-based strategy to improve health outcomes and reduce health care costs. **The development and availability of a variety of affordable housing options is an upstream, primary prevention approach to improving community health.** Nicholas and Henwood (2018) outline a framework that connects a continuum of housing provision strategies to other social determinants of health and health outcomes:



The Robert Wood Johnson Foundation outlines four primary pathways that housing characteristics influence health and health care costs. **Zoning changes directly affect neighborhood factors in the short term, and affordability and stability over the long term by making it easier for/incentivizing developers to increase the affordable housing stock.**



Robert Wood Johnson Foundation, 2018

Housing + CCPHD

The Clackamas County **Community Health Improvement Plan (CHIP)** has four guiding principles that identify the characteristics the public health division believes are need for communities to achieve good health:

<p>Grounded in Racial and Health Equity</p> <p>Eliminating disparities in health outcomes must begin with finding and removing economic and social obstacles like poverty and discrimination. By understanding and elevating the needs and power of those who face the highest barriers in our County, we can begin to ensure everyone has a fair shot at health.</p>	<p>Assessing Health across the Lifespan</p> <p>The social, physical, and economic conditions we live in influence our health in many ways, and can affect us differently depending on our life stage. Health interventions are strengthened by understanding how our social history and context impacts our biological vulnerability and resilience today, whether we are 10 or 110.</p>
<p>Using Trauma-Informed Approaches</p> <p>Trauma comes in many forms and can have significant impacts on our physical, emotional, and mental being. Building awareness around trauma in our policies, programs, and systems to avoid doing further harm and facilitate healing will help us lead healthy lives where we are able to reach our full potential.</p>	<p>Climate-Conscious Strategies</p> <p>Climate change is increasingly impacting the health of local communities in Oregon. It has been called the “greatest public health challenge of the 21st century. Reducing the causes and impacts of climate change improves health outcomes. Identifying and strengthening climate change vulnerabilities within our community reduces health inequities.</p>

The guiding principles provide a possible lens to review DTD housing strategies though:

Housing Strategies	Grounded in Health Equity	Trauma Informed Approaches	Health Across the Lifespan	Climate Conscious Strategies
04a Density Bonuses	Strategies to increase the affordable housing supply work to address disproportionate impact housing costs have on people of color.		Housing affordability, stability and proximity to essential services like school and medical services have direct impacts on health outcomes of youth and seniors	
O-5 Max Density Requirements				Affordable housing near high job areas help reduce commute time and GHG release
O-6 Minimum Parking Standards	Reducing parking may impact car dependent families if transit option are not robust		In the U.S. people outlive their ability to drive by 10 years on average	Reducing parking helps curb GHG release

The CHIP has a goal focused on housing, *Clackamas County residents have affordable, stable, safe and accessible housing.* The public health division has completed two health impact assessments related to housing, one on Veteran’s Village and one on the redevelopment of Hillside Manor.

The following sections capture health connections to specific DTD Housing Strategies proposed.

04a Affordable Housing Density Bonuses

Consider providing a tiered density bonus for inclusion of affordable housing.

- Housing is fundamental precondition for health and well-being. Strategies that increase the number of affordable housing units and housing stability are highly health promoting for physical and mental well-being across the lifespan, as well as intergenerationally (Iroz Elardo, 2019)
- Physical planning and zoning strategies have a long history of solving environmental and community health concerns. The relationship between density and health is complex, and often mediated with connectivity characteristics of communities. Forsyth (2018), Haigh et al (2014), and Hamidi (2020) identify the following health outcomes that are connected with density and connectivity in varying ways:

Density	Connectivity
<ul style="list-style-type: none"> • Air quality • Noise • Climate change • Disaster response • Ground toxics • Crime/violence 	<ul style="list-style-type: none"> • Accessibility to health care and other health promoting services • Universal design • Social capital and networks • Access to greenspace • Access to employment • Access to healthy food • Physical activity • Infectious disease (COVID-19)

- Researchers in Australia examined the relationship between density and child health outcomes, finding the impact of high density housing on child health is context dependent, and influenced by family dynamics, the social environment, and the surrounding neighborhood. They recommend co-locating family dwellings close to the ground floor (minimizing fall risk and for better eyes on outdoor play areas) and clustered together (to encourage play among children) (Heenan, 2017).
- Researchers found that adults that live in states that preempt inclusionary zoning policies are more likely to have poor or fair health rating status as identified through the behavioral risk factor surveillance survey (BRFSS). They also found an association of disproportionate impacts on Black residents in preemption states, who reported more often delaying medical care when needed due to costs. (Melton-Fant, 2020)
- As it relates to building height and health, there is limited evidence, but a few studies show:
 - There is a possible relationship between the floor a resident lives on and cardiovascular health. In analysis of 11,169 residents in Oslo, researchers found significantly higher odds of people experiencing a stroke if they lived on the 6th floor or above. A possible causal explanation was psychosocial elements like lack of perceived control and poorer social relations that have been associated with living on high floors in multistory buildings. (Rohde & Aamodt, 2016)

- Researchers found building height (1-2 floors vs 3-5 floors vs 6+ floors) is a contributing factor along with other ground and land cover properties in creating differences in urban heat climates. (Stewart 2013)

O5 Maximum Density Requirements

Consider increasing or removing maximum density requirements for multifamily developments in commercial zoning districts.

- The [County Health Rankings](#) ranked Clackamas County as the 4th healthiest county in Oregon in 2020. In all category areas the county ranked in the top 5, except for in the physical environment category, in which it ranked 29th. The two variables that lower the county's ranking in this category are "Driving alone to work" (76%) and "long commute – driving alone" (46%). Creating more housing options within commercial areas will contribute towards reducing long commute times, and in turn the time residents spend sedentary, alone, and at possible risk of traffic crashes while commuting.
- In the Hillside Health Impact Assessment, 58% of residents that participated in engagement period reported attending a medical appointment in the past week, while only 36% reported driving in the past week (Iroz Elardo, 2019). Proximity to medical destinations should be a location factor considered for higher maximum densities.

O6 Minimum Parking Standards

Consider creating a hierarchy of minimum parking standards based on proximity to transit and/or dwelling unit affordability.

- Strategies to reduce car-dependency in turn help reduce the release of greenhouse gas emissions, climate change associated with global warming, and in turn the negative health impacts associated with climate change.
 - The Regional Climate and Health report (CCPHD, 2019) identified heat-related illnesses (resulting in ED admissions in particular) as a growing concern in Clackamas County. The rate of ED admissions increased every year between 2016 and 2018. The reduction of parking spaces is a strategy to reduce urban heat island effect and lower temperatures in areas with higher density.
- The built environment does not determine but does help shape health outcomes. As density increases, so can urban related problems related to increased car travel like noise, emissions, and exposure to crash risk. Creating flexible, adaptable parking requirement that allow for/encourage development patterns that normalize non-auto modes of travel help address potential issues related to urbanization.
- As part of the assessment phase of the Hillside Health Impact Assessment, Iroz Elardo Research examined the relationship between car ownership, housing, and health with some specific application to Milwaukie. That work is copied in an appendix below.

Appendix A. Parking and Car Ownership. Hillside Health Impact Assessment Site Memo.

Land within the Hillside complex can be thought of as being assigned to three broad redevelopment categories: (1) buildings containing affordable housing and community amenities, (2) outdoor community and green space, and (3) surface parking lots. Some level of parking is clearly needed. However, housing and outdoor space are clearly health promoting while surface parking lots are not.

Parking's impact on health is nuanced. In active transportation and climate adaptation circles, parking is viewed with suspicion as a mechanism that supports and thus may induce driving (Weinberger, 2012) and resulting emissions; reduce physical activity for both the drivers and those who do not find walking near parking appealing; and surface parking lots are typically impervious surfaces that contribute to the heat island effect (see Shoup's *Parking and the City*, chapter 8). Yet car access and ownership is often viewed as a positive factor in finding and maintaining a job by opening up spatial areas not previously available to a low-income person – also known as job accessibility.

Parking is also highly contextual. Car ownership increases with income. Any decision about reducing parking must be closely linked to underlying assumptions about increased service levels of alternative modes, in particular public transportation. Parking ratios will need to be higher in a redevelopment project in a suburban setting than in a redevelopment near a high-density of public transportation options.

What are the current conditions?

The Fall 2018 HIA Survey estimates that only 36% of all residents drove last week. Rates are lower for Manor residents (29%) and higher for those in the Park (43%). It is also notable that when residents were asked to write in important public spaces, only a single person suggested parking. (For comparison, 7 residents noted the walking path while 4 noted the community garden.)

Using Google Maps with 2019 imagery showed 32 vehicles and 2-3 delivery trucks at the Manor; 38 cars in driveways in the Park; and 19 vehicles on the street throughout the Park. While the Google Maps imagery is during the day – and so presumably some vehicles are at resident's place of work – this technique also captures those working at the manor mid-day. Further, the 3D aerial imagery is based on multiple photos, leading to some “ghosting” and thus likely slightly overstating the number of vehicles.

These data-points suggest that Hillside does not need the amount of parking spots typically required by existing regulations. ***For replacement units that have similar income requirements as current Hillside residents, 0.5-0.6 dedicated parking spots per unit appears to be sufficient to meet parking demand by Park residents. However, the average income is expected to increase with densification, requiring a slightly higher ratio.*** Most stakeholders also report that the community members are often worried about parking upon hearing of plans to densify the area. These conflicting data points may indicate the role of an automobile as a symbol of financial stability; lack of current parking perceived to be “convenient”; and lack of experience living in areas with restricted parking supported by good alternative transportation modes.

Evidence from the Academic Literature

Even though much of the research around parking is usually focused on the urban core and issues such as metered parking or transit oriented development (TOD), there is growing consensus that lower-density residential urban and suburban areas are also often “over-parked”. For example, a recent investigation in Davis California suggested that even at peak use, on-street parking showed a 71% parking vacancy rate with vacancy rates ranging from 45-86% in the lowest income (\$30-35K median household income) neighborhoods (Thigpen and Volker, 2017). A similar study in Eugene of on-street residential parking found a vacancy rate of 89% (Schlossberg and Amos, 2015).

There is also a growing concern that minimum parking requirements reduce housing supply and increase housing costs and rents (Andersson et al., 2016). This extra cost disproportionately affects renters who are less likely to own a car and for whom transportation costs make up a large portion of the household budget. For example, a recent national study suggest that renter households spend an additional \$1700 per year or 17% of a housing unit’s rent on the housing premium associated with garage costs (Gabbe and Pierce, 2016). Gabbe & Pierce suggest unbundled parking as a way to more appropriately match parking to households that truly need it and thus bring down the cost of housing.

Some stakeholders have expressed concern that future moderately-low income subsidized housing units planned are more likely to be “working” low-income with cars and thus need more parking. Indeed, the concern that most lower-income households are car-less by circumstance rather than choice is well founded (Brown, 2017). There is more “churn” in car ownership in low-income households than might be expected (Klein and Smart, 2015), thus incentivizing low-income households to “plan” for a parking space for the future. There is also a strong association between car-ownership, housing assistance, and employment – especially in the “moving to opportunity” context (Blumenberg and Pierce, 2016; Dawkins et al., 2015).

Households could reduce the cost of car ownership and go car free or car light if transit and active travel options are convenient; this could be very helpful for low-income households living on the margin. Indeed, Census data suggests that in almost every way, the new redevelopment could minimize parking. The Census shows that renters in Milwaukie are far more likely to be car-less or have just one car in the household when compared to homeowners (Table 1). Similarly, the number of cars is closely linked to household size. The Census shows that 14% of single-person households are car free and 71% have a single car. Households with two people, however, are much less likely to be car free with 27% and 57% reporting one and two vehicles respectively.

TABLE 1. CITY OF MILWAUKIE, OREGON VEHICLE AVAILABILITY BY RENTER-OWNER STATUS

	Renters	Owners
No Vehicles	13%	2%
1 Vehicle	59%	27%
2 Vehicles	29%	44%
3+ Vehicles	7%	15.4%

Source: 2013-2017 American Community Survey, Table B25044: Tenure by Vehicles Available

TABLE 2. CITY OF MILWAUKIE, OREGON VEHICLE AVAILABILITY BY HOUSEHOLD SIZE

	1-person	2-people	3-people	4+ people

No Vehicles	14%	4%	2%	0%
1 Vehicle	71%	27%	14%	13%
2 Vehicles	10%	57%	44%	46%
3+ Vehicles	5%	13%	40%	40%
Source: 2013-2017 American Community Survey, Table B08201: Household Size by Vehicles Available				

There are other metrics and models that also indicate that the population likely to live in Hillside will have less demand for parking. For example, the Housing & Transportation Index (<https://htaindex.cnt.org>), developed for modeling the tradeoffs between housing and transportation costs, suggests average number of cars per household is 1.56 in the block group incorporating Hillside, in line with census blocks closer to downtown Milwaukie and significantly lower than the city (1.71) and county (1.87) averages. The 2009 National Household Travel Survey suggests the relationship between number of vehicles and income is linear, even in the bottom quartiles of household income (Blumenberg and Pierce, 2012). The Oregon Household Activity Survey (OHAS, 2018 for Region 1) confirms that low and moderately low-income households make fewer daily person trips and that 2-person households make fewer person trips than 1 or 3 person households (<https://www.oregon.gov/ODOT/Planning/Documents/OHAS-Daily-Travel-In-Oregon-Report.pdf>, pg 72). This must be balanced against the tendency for low-income households to have a higher density per bedroom, even in 1-bedroom contexts.

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Land Use Housing Strategies Project:

Supporting the development of more affordable housing in urban unincorporated areas through changes to land use zoning

PART C: PHASE 2

Board of Commissioners Planning Session

Wednesday, April 28, 2021



PHASE 2: Strategies

1) Middle housing (HB2001)

- Duplexes, triplexes, quadplexes, cluster cottages, townhouses in urban single-family zones
- **REQUIRED** under state law

2) Clear and objective standards (SB1051)

- **REQUIRED** under state law

3) Comprehensive Plan policies for rezoning in low density residential districts

Slide 22



PHASE 2: Strategy 1 HB 2001 implementation

▶ Middle housing



▶ Duplexes, triplexes, quadplexes, townhomes and cottage clusters



Slide 23



PHASE 2: Strategy 1 HB 2001 implementation

▶ For urban unincorporated areas, county must allow:

- A duplex on every lot zoned to allow a detached, single-family home
- All other middle housing types “in areas” zoned to allow detached single-family homes

▶ Does not forbid single-family dwellings or change allowances for accessory dwelling units (ADUs)

▶ Deadline for county to comply: **June 30, 2022**

Slide 24



PHASE 2: Strategy 2

SB 1051 compliance

- ▶ All Oregon jurisdictions required to have “clear and objective” path for all types of housing development
- ▶ Required audit of all county standards for development of individual housing units and residential land divisions
- ▶ May include a “discretionary” path for housing in code, but only as *option*

Slide 25



PHASE 2: Strategy 3

Policies for rezoning low-density residential land

- ▶ Recent LUBA decision changed evaluation of zone changes in low-density residential areas
- ▶ Comprehensive Plan text amendments are needed to:
 - Clarify zone change requirements and/or
 - Restrict zone changes

26



PHASE 2: Work to date

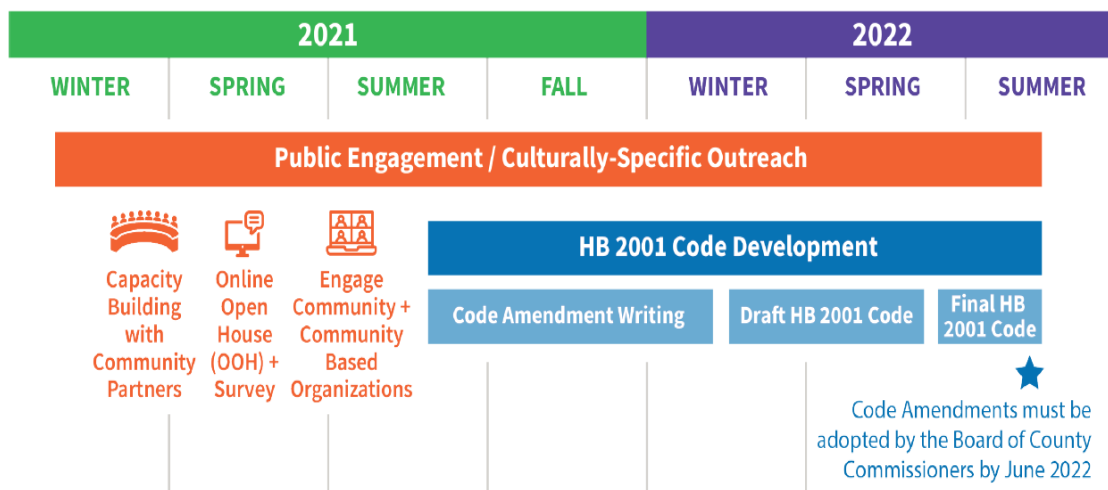
HB2001 implementation

- ▶ Initiated an equitable engagement plan
- ▶ HB 2001 Rulemaking
- ▶ Contacted urban service providers to find out if they need an infrastructure-based time extension request (IBTER)

Slide 27



PHASE 2: HB2001 Compliance timeline



Slide 28



Part C: Phase 2 Discussion and Questions



FAQs

FREQUENTLY ASKED QUESTIONS



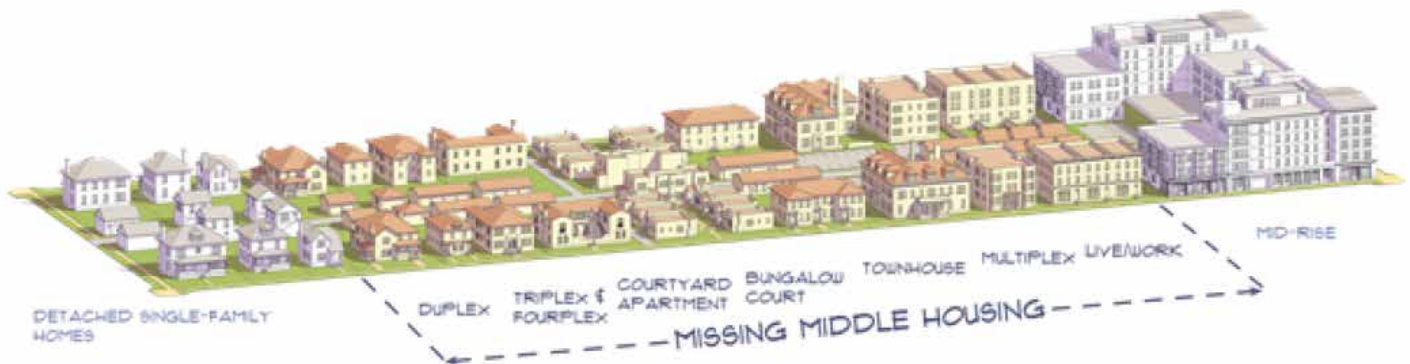
HB 2001

What's HB 2001? Why was it passed?

[House Bill 2001](#) (HB 2001) is a law, passed by the 2019 Oregon legislature, that requires cities and counties to allow “middle housing” in urban residential zones that already allow houses. The purpose of the state law and the HB 2001 Project is to increase the amount of lower-cost market-rate housing. Middle housing can be less expensive to build than conventional large houses and apartments in new apartment complexes, and that may make it possible to charge lower rents or sales prices. Also, middle housing will be allowed in more locations than apartment complexes are allowed today, which may result in more new housing units being developed.

What's “middle housing”?

Middle housing includes accessory dwelling units (ADUs), duplexes, triplexes, quadplexes (also known as fourplexes), townhouses, and cottage clusters (several small houses centered on a common area such as a lawn or courtyard). Clackamas County already allows ADUs per state law. (ADUs are a secondary house or apartment unit on the same lot as a larger, primary house.)



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Illustration © 2015 Opticos Design, Inc. 

Can middle housing be built anywhere?

State law requires that Clackamas County allow middle housing in unincorporated residential zones in the urban unincorporated area that already allow single-family homes. The County can continue to require that property be ready for development before the County approves development. If the situation of a property isn't adequate to build a house – for example, if there is no water or sewer service – then the County retains the right to deny building a middle housing type. Counties can regulate siting and design of middle housing if the regulations do not “discourage the development of middle housing.”

FAQs

FREQUENTLY ASKED QUESTIONS



What's the County doing?

State law requires that the County amend the [Clackamas County Zoning and Development Ordinance \(ZDO\)](#), and if necessary also [Comprehensive Plan](#) policies, by June 30, 2022, to allow for the development of middle housing in unincorporated urban residential zones.

How does this affect homeowners?

HB 2001 will allow property owners to pursue building a dwelling or dwellings on their property. In some cases, homeowners may also convert their home into multiple units.

How does this affect renters?

The result of HB 2001 could entice some homeowners to build a dwelling or dwellings on their properties to rent out and therefore, increase the supply of rentals.

How does HB 2001 affect developers and contractors?

The new law generally requires that development regulations not discriminate between single-family houses and middle housing types. This will necessitate major amendments to the Clackamas County Zoning and Development Ordinance (ZDO). County objectives include making amended regulations clear and simple, to entice small developers, including homeowners and small homebuilders, to build middle housing.

How could parking rules change?

State law through [Oregon Administrative Rules \(OAR\) 660-046](#) limits cities and counties to requiring no more than two off-street parking spaces total for a duplex. It also has a specific set of standards about parking in subsection 660-046-220(2)(e), summarized in the table below:

Lot size in square feet (sq ft)	Minimum off-street parking <u>requirements</u> must be no greater than...				
	Duplex	Triplex	Quadplex	Cottage Cluster	Townhomes
Less than 3,000 sq ft	2 spaces (total)	1 space (total)	1 space (total)	1 space per unit	1 space per unit
3,000 - 5,000 sq ft		2 spaces (total)	2 spaces (total)		
5,000 -7,000 sq ft		3 spaces (total)	3 spaces (total)		
7,000 sq ft or more		4 spaces (total)			

Though the County cannot require more off-street parking, developers could provide more than the minimum. Developers often do provide more parking than required if they think that is what the market wants.

FAQs

FREQUENTLY ASKED QUESTIONS



Does this mean the County will no longer allow the building of single-family homes?

No. The County will continue to allow single-family houses on properties that are zoned for them and are ready for development.

Does this interfere with homeowner association (HOA) codes, covenants, and restrictions (CC&Rs)?

The law allows most existing deed restrictions, homeowner association agreements (HOA), and covenants, conditions, and restrictions (CC&Rs) to remain as they are. However, these agreements are unenforceable if they both (a) prohibit middle housing and (b) were adopted on or after August 8, 2019. New deed restrictions, agreements, and CC&Rs cannot prohibit middle housing.

I'm a homebuilder/contractor: Does this relax the building code?

No, and – in most cases – no.

Health & Housing

How is housing related to my health?

Housing is many things: stability, part of a neighborhood or community, and an impact on residents' health. Housing stability, quality, safety, and affordability can support physical, mental, and behavioral health.

How do code changes create more affordable housing?

Middle housing can be less expensive to build than conventional large houses and apartments in new apartment complexes, and that may make it possible to charge lower rents or sales prices. Clackamas County is planning additional code changes to the Zoning and Development Ordinance (ZDO) that will incentivize affordable housing in new multi-family developments. Updated code will allow for more housing types, such as duplexes, triplexes, quadplexes (fourplexes), townhouses, and cottage clusters (several small houses centered on a common area such as a lawn or courtyard).

How will this impact me and my family?

The proposed code changes could provide more housing options to rent or own throughout unincorporated urban areas of Clackamas County. It could also mean more residential development throughout the County.

FAQs

FREQUENTLY ASKED QUESTIONS



Land Use Housing Strategies (LUHS)

What is LUHS?

The Clackamas County Planning & Zoning Division has compiled information and data to develop a three-phase strategy--LUHS--to support the development of a more affordable variety of housing in unincorporated urban areas of the county.

Why is it needed?

Housing in Clackamas County is becoming less affordable. This problem is worsened by a shortage in buildable residential land in the urban unincorporated area. Based on estimates in the Clackamas County Regional Housing Needs Analysis (HNA) from September 2019, unincorporated Clackamas County lacks residentially-zoned land for as many as 5,000 housing units needed in the next 20 years, over half of which would be multi-family units.

What's the timeline?

- The first phase of LUHS that started in spring 2020 and will end in 2021, is looking at increased density of housing in some commercial zones and parking space minimums.
- The second phase started in fall 2020 and will end in 2022. This phase, which includes implementing the state-required HB 2001 components, will make more housing types allowed in single-family residential areas.
- The third and final phase may begin as early as fall of 2021 and continue once Phase I and II are complete. It will consider allowing housing on religious-owned properties, consider preserving manufactured dwelling parks and allowing even more housing types in residential areas.

How has the public been engaged in the process?

Equitable public engagement and involvement are integral to the success of this project and will take place throughout all phases of LUHS. The primary public engagement objectives are to:

- Understand the community's priorities and concerns with regard to potential changes that may take place in their neighborhoods as a result of implementation of these strategies.
- Collaborate with community partners to advance socioeconomic, racial and transportation equity in Clackamas County.
- Lay the groundwork for updating policies and regulations to ensure the updates will be responsive to the needs of urban communities in the county.

Where can I get more information?

For more information about the HB 2001 Implementation Project and other Clackamas County efforts on housing, please visit www.clackamas.us/planning/HB2001.

For questions, please contact:

Martha Fritzie, Principal Planner
Clackamas County Planning and Zoning Division
mfritzie@clackamas.us

In 2019, the Oregon Legislature passed House Bill 2001, a bipartisan bill to help provide Oregonians with **more housing choices**, especially housing choices **more people can afford**.

The new law lets people build certain traditional housing types that already exist in most cities, instead of being limited to a single housing type.

House Bill 2001 requires updates of local rules that have limited what sorts of housing people could build. These limitations have led to increased housing costs.

The Need for More Diverse, Affordable Choices

People need a variety of housing choices. Today, too many Oregonians are paying too much for the housing they have and are limited to renting or buying detached single-unit homes. Meanwhile, the composition of Oregon households is shifting; more than a quarter of households today are a single person living alone.

At different times in their lives, we have different needs. Imagine what sort of housing a young adult might want or be able to afford, or think of the needs of a retired person.

The Bill: Traditional Housing Types Allowed in Most Neighborhoods Soon

Under the bill, by June 30, 2021, Oregon's medium-sized cities must allow Oregonians to build duplexes in areas zoned for single-family dwellings. Most cities already allowed duplexes in certain circumstances.

By June 30, 2022, cities in the Portland Metro region and Oregon's other largest dozen cities (those over 25,000 population), must allow people to build duplexes, triplexes, fourplexes, cottage clusters, and townhouses in residential areas.

These houses can be more affordable and meet the housing needs of many younger people, older people, and people who work hard but can't afford a large detached house of their own.

The bill also provided \$3.5 million for technical assistance to cities, and has other details. Read the bill for details: olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2001/Enrolled

Siting and Design Flexibility; Transformation Expected to be Gradual

While the bill re-legalizes certain housing types, the bill is about choices. People can still build detached single-family homes. We expect most homes in residential areas to be built as such.

Cities can set reasonable siting and design requirements on the houses, including making sure there is adequate infrastructure. The bill directs the Department of Land Conservation and Development (DLCD) to help cities figure this out.

While the law allows traditional housing types, DLCD expects the transformation of housing choices to be gradual. Cities have allowed some of these types in certain areas. Not many have been built. Local knowledge of how to build these housing types will grow over time. The building of them will depend on local housing markets.

Learn More and Sign Up to Stay Informed

www.oregon.gov/lcd/UP/Pages/Housing-Choices.aspx

Ethan Stuckmayer, Senior Housing Planner, ethan.stuckmayer@state.or.us (503) 934-0619



Before being outlawed, non-single-unit homes have long been built in our cities; this is a Salem triplex.





**KEY ELEMENTS OF HOUSE BILL 2001
(Middle Housing)**

House Bill 2001 (HB 2001) provides \$3.5 million to DLCD for technical assistance to local governments to:

- 1) assist local governments with the development of regulations to allow duplexes and/or middle housing, as specified in the bill, and/or
- 2) assist local governments with the development of plans to improve water, sewer, storm drainage and transportation services in areas where duplexes and other middle housing types would not be feasible due to service constraints.

DLCD Required Rulemaking: Who is affected: Significant dates: Local Government Deadlines: Effect of missed deadline:	Middle Housing Requirements		Infrastructure Deficiency Process
	Medium Cities	Large Cities	Medium & Large Cities
	DLCD Rules and model code adoption December 31, 2020	DLCD Rules and model code adoption December 31, 2020	DLCD Rules adoption [no date specified in bill] Target: July 2020
	Local Government Adoption of model code or alternative June 30, 2021	Local Government Adoption of model code or alternative June 30, 2022	Medium Cities Extension Requests due by December 31, 2020 Large Cities Extension Requests due by June 30, 2021
	Model code applies directly	Model code applies directly	No extension granted

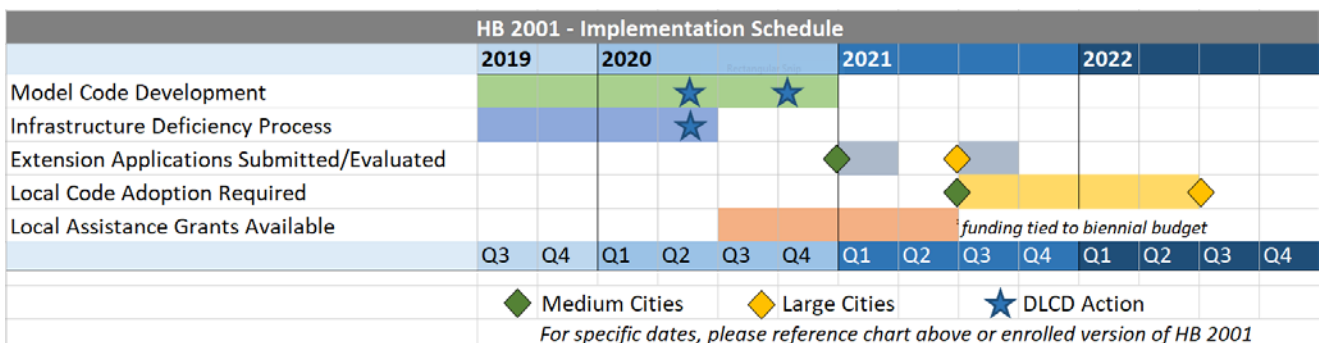
Medium Cities

All Oregon cities outside the Portland Metro boundary with a population between 10,000 and 25,000.	
Middle Housing Requirement	Duplexes to be allowed “on each lot or parcel zoned for residential use that allows for the development of detached single family dwellings.”

Large Cities

All Oregon cities with a population of more than 25,000, unincorporated areas within the Portland Metro boundary that are served by sufficient urban services, and all cities within the Portland Metro boundary with a population of more than 1,000.	
Middle Housing Requirement	Duplexes (as above) <u>AND</u> triplexes, quadplexes, cottage clusters, and townhouses “in areas zoned for residential use that allow for the development of detached single family dwellings.”

Flexibility *Medium and Large Cities “may regulate siting and design of middle housing required to be permitted under this section, provided that the regulations do not, individually or cumulatively, discourage the development of all middle housing types permitted in the area through unreasonable cost or delay.”*



Other Provisions in HB 2001 ZDO-277: Housing Strategies
BCC Planning Session 4-28-2021

Page 7 of 7

- ✓ A local government may request an extension of time to adopt the required regulations based on an application identifying an infrastructure constraint (water, sewer, storm drainage, or transportation) to accommodating middle housing development, along with a plan of actions to remedy the deficiencies in those services.
- ✓ The applications for time extensions based on infrastructure deficiency will be reviewed by DLCD and approved or denied.
- ✓ Housing Needs Analyses, in conjunction with a UGB decision, may not assume more than a three percent increase in housing units produced as a result of the adoption of middle housing regulations unless the local government can show that higher increases have been achieved to date.
- ✓ The bill amends requirements relating to accessory dwelling units (ADUs). The bill states, “Reasonable local regulations relating to siting and design’ [for ADUs] does not include owner-occupancy requirements of either the primary or accessory structure or requirements to construct additional off-street parking.” However, such regulations may be applied if the ADU is used for vacation occupancy.
- ✓ Changes the annual housing production survey required by passage of HB 4006 in 2018. Adds requirement to report on ADUs and units of middle housing, both for market rate housing and for regulated affordable units.
- ✓ Directs the Building Codes Division to develop standards to facilitate conversions of single-family dwellings into no more than four residential dwelling units.
- ✓ Prohibits the establishment of new Covenants, Conditions & Restrictions or similar instruments that would prohibit middle housing or ADUs in a residential neighborhood.
- ✓ The bill also notes that the department shall prioritize technical assistance to cities or counties with limited planning staff, or that commit to implementation earlier than the date required by the act.

This fact sheet is intended to summarize key elements of HB 2001. It is not intended to replace a detailed review of the legislation. For specific bill language, please review the enrolled version of the HB 2001:
<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2001>

“HB 2001 is focused on increasing the supply of ‘middle housing’ in Oregon cities – not by limiting construction of single family homes, but by allowing development of duplexes, triplexes, and quadplexes. Through technical assistance and resources for local governments, DLCD joins the effort to help create housing opportunities for all Oregonians.”

- Jim Rue, DLCD Director

For more information visit our website at <http://www.oregon.gov/lcd/UP/Pages/Housing-Choices.aspx>

DLCD Staff Contacts: With questions about local implementation – [Contact your Regional Representative](#)

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Clackamas County Middle Housing Outreach and Engagement

Initial Public Involvement Plan: Foundational Elements*

Phase 1: Feb 2021 - June 2021

This document will set the foundation for public and stakeholder involvement during the Clackamas County Middle Housing Outreach and Engagement project. The County has begun developing plan and code amendments to be in compliance with state law HB 2001 which requires certain unincorporated areas in Clackamas County to permit townhomes, cottage clusters, duplexes, triplexes, and quadplexes by right within residential zoning districts that already allow detached single-family dwellings by right.

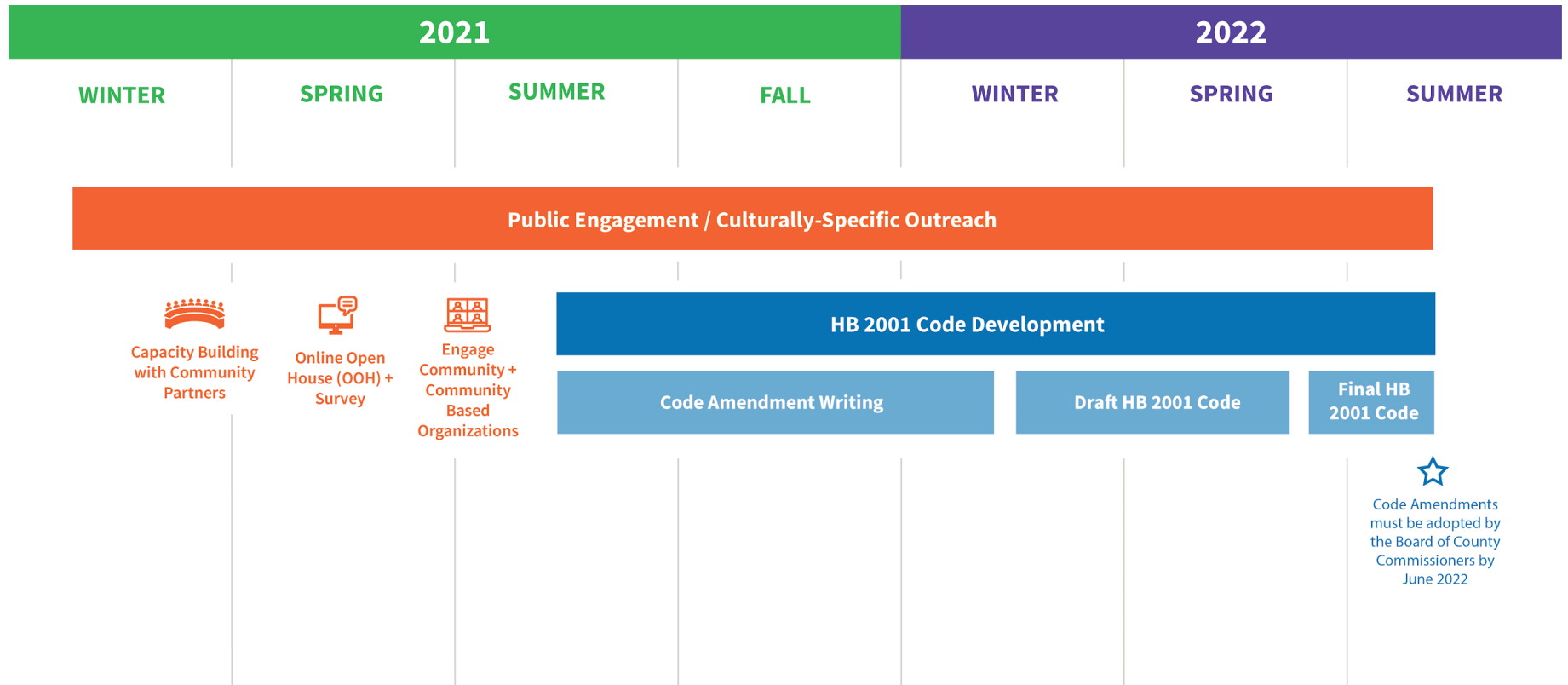
This process will engage the general public and culturally-specific communities (Vietnamese, Chinese, Slavic (Russian and Ukrainian), Latinx, Native American, and Black communities) that may be affected by the changes that need to be made to the county's zoning and development codes to accommodate the required middle housing types. Information in this plan will be the foundation for the County to build upon in order to keep the broader community engaged as development codes and design standards are developed for the middle housing types.

I. Desired Outcomes for Public Involvement

- Build awareness and education about HB 2001, code amendments, and design standards with (Vietnamese, Chinese, Slavic, Latinx, Native American & Black communities) communities.
- Engage historically underrepresented populations through Intentional and culturally-specific outreach to (Vietnamese, Chinese, Slavic, Latinx, Native American & Black communities). **This goal will be led by the PKS/EI team*
- Design activities and involvement tools that are adaptable for both the virtual and in-person environment.
- Present outreach materials that are visually compelling and easy to understand for a public audience. In particular, ensure outreach and communications materials resonate
- Ensure any in-person involvement follows public health and safety protocols during the pandemic.
- Gather feedback on building design or housing elements that residents would like to see maintained in the future.

**This project is funded by Oregon general fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views or policies of the State of Oregon.*

II. HB 2001 Project Timeline



III. Involvement Work Plan

The following work plan is subject to change depending on COVID status, budgetary reasons, community expectations, and any other unforeseen circumstances that may come up as the project progresses. Meeting plans will be developed to organize and provide clarity for involvement activities such as Virtual Open Houses and targeted outreach activities with the Vietnamese, Chinese, Slavic, Latinx, Native American, and Black communities.

Note: For the County to be able to provide informative and detailed feedback, several days to a week will be given to review and respond to draft documents.

Involvement Activity / Timeline	Purpose / Outcomes	Notification Methods	Staff / Consultant Roles
<p>March 2021 - June 2021</p> <p>Task 1.3 - Develop Partnerships and Engagement Opportunities (with representatives of internal and external stakeholder groups)</p> <p>DELIVERABLES: <i>To inform/involve the following entities during this project:</i></p> <ul style="list-style-type: none"> - <i>Clackamas County Health, Housing, and Human Services (H3S)</i> - <i>Clackamas County Equity and Inclusion Office (EIO)</i> - <i>CBOs of language</i> 	<ul style="list-style-type: none"> • To align similar or complementary efforts in outreach and engagement activities • To foster long-term organizational relationships that can assist with current and future project efforts 	<ul style="list-style-type: none"> • Email correspondence • Up to 2 virtual meetings with each potential partner organization 	<p>COUNTY:</p> <ul style="list-style-type: none"> • Initiate/Facilitate introduction to other Clackamas County departments • Participate in project-related coordination discussions <p>CP:</p> <ul style="list-style-type: none"> • Manage level of Clackamas County departments' level of involvement during project <p>PKS/EI:</p> <ul style="list-style-type: none"> • Manage CBO(s) level of involvement during project • Initiate/Facilitate introduction of CBOs to

communities

March 2021**Task 1.4 - Preliminary Media Outreach Campaign****DELIVERABLES:**

- *A media outreach campaign matrix of internal and external stakeholders, their level of involvement, and key communication details/deadlines*
- *External, public-facing public outreach timeline*

- To develop a plan and assess the most effective channels to promote the educational/awareness campaign key messages and promote the resident survey
- This could include newsletters, news releases, email blasts, social media, radio announcements, and other internal and external communications resources
- Specific notification methods will be determined based on external/internal stakeholder list

COUNTY:

- Assist in developing media outreach campaign plan by consulting on external and internal stakeholder list as well as facilitating communications via County-owned accounts.

CP:

- Create media outreach campaign matrix; develop a media outreach campaign plan in coordination with PKS/EI

PKS/EI:

- Tailor outreach campaign components to be culturally relevant
- Allow liaisons to proofread and provide suggestions

March 2021**Task 2.1 - Develop project brand/graphic style**

- To create a cohesive project identity for HB2001 outreach and engagement efforts
- *No (external) notification method needed for this task*

COUNTY:

- Share design related files to assist with content and message development
-

DELIVERABLES:

- *2-page Brand Style Guide (one round of draft design and one round of final design)*
- *Brand Style Guide adapted for translation into multiple languages*

- To create a brand that is easily adaptable and resonates in different language communities

- Participate in reviewing draft Brand Style Guide
- Use project brand/graphic style in all communications

CP:

- Develop brand/graphic style with direction from County
- Review up to two rounds of Brand Style Guide

PKS/EI:

- Review draft brand with the CELs for feedback
- Provide translated words for branding materials (graphic and illustrations)
- Provide culturally sensitive feedback on images and pictorial.

March 2021 - June 2021

Task 2.2 - Assist County Staff with Webpage Content

DELIVERABLES:

- *Webpage copy and resources for up to 2*

- To deliver County staff with current and timely project communications
- To deliver County staff webpage content that serves as a hub for project information and resources

- Clackamas County project webpage

COUNTY:

- Update and manage webpage with content provided by CP

CP:

- Develop webpage copy and resources for up to 2 rounds of updates; HB2001 webpage will be

a distinctive page from the LUHS webpage housed within Clackamas County's main website.

rounds of updates

- Translate webpage copy and resources in up to 6 languages (Vietnamese, Chinese traditional, Chinese simplified, Russian, Ukrainian, Spanish) for up to 2 rounds of updates

PKS/EI:

- Provide content review and feedback
- Translate webpage copy and resources in up to 6 languages (Vietnamese, Chinese traditional, Chinese simplified, Russian, Ukrainian, Spanish) for up to 2 rounds of updates

March 2021

Task 2.3 - Develop outreach materials (promoting OOH and general project information/branding)

DELIVERABLES:

- Up to 1 Fact Sheet (draft & final)
- FAQ Sheet (draft & final)
- Project video (draft &

- Inform the public about HB 2001 implementation to build awareness and address misinformation
- Introduce the project and upcoming public involvement events
- Sign up to email list for project updates

- *No (external) notification method needed for this task*

COUNTY:

- Provide review for materials developed

CP:

- Co-create one draft and one final version of the outreach materials with PKS/EI
- Review written copy for notifications, as needed
- Advise on notification logistics with media as needed

final: script, video graphics, video production)

- *Up to 2 County newsletters (draft & final)*
- *Email campaign template/components*
- *Develop up to 2 email campaigns (draft & final)*
- *Necessary materials translated 6 languages (Vietnamese, Chinese traditional, Chinese simplified, Russian, Ukrainian, Spanish)*

PKS/EI:

- Co-create one draft and one final version of the outreach materials with CP
- Manage the translation of outreach materials in 6 languages (Vietnamese, Chinese traditional, Chinese simplified, Russian, Ukrainian, Spanish)

April 2021 - late May 2021

Task 3.2 - Coordinate, Facilitate, and Summarize Outreach Program:

1. Online Open House + Survey

DELIVERABLES:

- *Online Open House Tool/Survey (up to 2*

- Passive online open house in which the general public can participate and complete the survey on their own time.
- Solicit input on Draft Code Concepts including preferences for design standards and general concerns and comments

- Post on County website
- Social media post directing visitors to website
- Email blast
- County newsletter
- Direct outreach to CBOs, places of worship, etc

COUNTY:

- Review and provide comments on open house content
- Develop written copy for notification sources

CP:

- Develop Online Open House (OOH) tool and survey questions
- Provide OOH graphics

drafts & final)

- Provide context and information about potential impacts and tradeoffs of code concepts

- Summarize feedback results to be included in final summary piece (and public-facing summary graphics)

PKS/EI:

- Lead coordination and logistics for notification to culturally-specific communities
- Coordinate translation to target languages
- Outreach and engage 6 communities to participate in OOH questionnaires and learn key messages
- Expect other BIPOC sub-group engagements. Will bring in other liaisons if situations arise.

April 2021 - late May 2021

Task 3.2 - Coordinate, Facilitate, and Summarize Outreach Program:

2. OOH Summary Report Back Communications Campaign

- An *external* report back to the public and multicultural communities on the OOH results and what will happen next

- Post on County website
- Social media post directing visitors to website
- Email blast

COUNTY:

- Provide review for materials developed

CP:

- Co-create one draft and one final version of the outreach materials with

DELIVERABLES:

- *Public-friendly summary presentation of feedback results (draft & final)*
- *Short survey for general comments*
- *Necessary materials translated 6 languages (Vietnamese, Chinese traditional, Chinese simplified, Russian, Ukranian, Spanish)*

- County newsletter
- Direct outreach to CBOs, places of worship, etc

- Review written copy for notifications, as needed

PKS/EI:

- Co-create one draft and one final version of the outreach materials with CP
- Manage the translation of outreach materials in 6 languages (Vietnamese, Chinese traditional, Chinese simplified, Russian, Ukranian, Spanish)

June 2021

Task 3.3 - Summarize Findings, Evaluation, and Recommendations

DELIVERABLES:

- *Report summarizing engagement process, feedback results, and recommendations for future outreach regarding HB2001 implementation*

- This *internal* summary document will provide recommendations for the outreach and engagement after June 2021
- Recommendations based on public sentiment survey and feedback heard during outreach as well as based on areas/communities still in need of outreach (i.e. gap analysis)

- Post on County website

COUNTY:

- Review and provide comments on recommendation report

CP:

- Develop Outreach Summary and Recommendations report including visuals and infographics

PKS/EI:

- Provide debriefing and summary report
- Assist with summarizing

-
- Consolidate and summarize all feedback results collected throughout the involvement process including the broader public and multicultural outreach
-

IV. Stakeholder Involvement

The list below is not a comprehensive list of stakeholders rather a general categorized list of stakeholders who should be involved including their level of involvement using IAP2's Public Participation Spectrum. (A master list of all stakeholders involved in Clackamas County Middle Housing Outreach and Engagement project will be linked to this document after the final PI Plan is approved).

Stakeholder Categories	Level of Involvement
General Public	Inform / Consult
Vietnamese, Chinese, Slavic, Latinx, Native American, & Black Communities	Inform / Involve
Clackamas County Health, Housing, and Human Services (H3S)	Collaborate
Clackamas County Equity and Inclusion Office (EIO)	Inform / Involve / Collaborate
Community-based organizations	Consult / Involve
Community Planning Organizations (CPOs)	Inform / Involve
Business Organizations*	Inform

**With a special focus on business organizations that serve or support minority-owned businesses*

V. Key Messaging

Responses to anticipated questions and concerns from the general public about HB 2001 and middle housing code implementation. The goal of building responses to key questions is to provide consistent messaging and transparency to the public about the Middle Housing Public Outreach and Engagement project. The key messages will be updated as additional questions and concerns arise from the public throughout the involvement process, and will be drafted in a way that balances both clear information and is engaging and relatable.

HB 2001

- **What's middle housing?**

Middle housing includes accessory dwelling units (ADUs), duplexes, triplexes, quadplexes (also known as fourplexes), townhouses, and cottage clusters (several small houses centered on a common area such as a lawn or courtyard). Clackamas County already allows ADUs per state law. (ADUs are a secondary house or apartment unit that is on the same lot as a larger, primary house.)



- **What's HB 2001? Why was it passed?**

The 2019 legislature passed [House Bill 2001](#) (HB 2001) into a law that requires cities to allow “middle housing” in urban residential zones that already allow houses.

The purpose of the state law and the HB 2001 Project is to increase the amount of lower-cost market-rate housing. Middle housing can be less expensive to build than conventional large houses and apartments in new apartment complexes, and that may make it possible to charge lower rents or sale prices. Also, middle housing will be allowed in more locations than apartment complexes are allowed today, which may result in more new housing units being developed.

- ***Can middle housing be built anywhere?***

First, state law requires that Clackamas County allow middle housing in urban residential zones that already allow houses.

Second, the County can continue to require that property be ready for development before the County approves development. If the situation of a property isn't good enough to build a house – for example, if water or sewer service is lacking – then the County retains the right also to deny building a middle housing type.

Third, counties can regulate siting and design of middle housing if the regulations do not “discourage the development of middle housing” per state law.

- ***What's the County doing?***

State law requires that the County amend the [Clackamas County Zoning and Development Ordinance](#), and if necessary also [Comprehensive Plan](#) policies, by June 30, 2022, to allow for the development of middle housing in urban residential zones.

- ***How does the project affect homeowners?***

The HB 2001 Project would allow property owners to pursue building a dwelling or dwellings. In some cases, homeowners may also convert their home into multiple units.

- ***How does the project affect renters?***

The HB 2001 Project could entice some homeowners to pursue building a dwelling or dwellings on their properties to rent out and increase rental supply.

- ***How does the project affect developers and contractors?***

State law generally requires that development regulations not discriminate between houses and middle housing types. This necessitates major amendments to the Clackamas County Zoning and Development Ordinance. County objectives include making amended regulations clear and simple and to entice small developers, including homeowners and small homebuilders, to build middle housing.

• **Does this mean the County will no longer allow the building of Single Family Homes?**

No. The County will continue to allow houses on properties that are zoned for them and are ready for development.

• **How could parking rules change?**

- State law through [Oregon Administrative Rules \(OAR\) 660-046](#) limits cities to requiring no more than two off-street parking spaces total for a duplex. It also has a specific set of standards about parking in subsection 660-046-220(2)(e), summarized in the table below:

Lot size in square feet (sq ft)	Minimum off-street parking <u>requirements</u> must be no greater than...				
	Duplex	Triplex	Quadplex	Cottage Cluster	Townhomes
Less than 3,000 sq ft	2 spaces (total)	1 space (total)	1 space (total)	1 space per unit	1 space per unit
3,000 - 5,000 sq ft		2 spaces (total)	2 spaces (total)		
5,000 -7,000 sq ft		3 spaces (total)	3 spaces (total)		
7,000 sq ft or more		4 spaces (total)			

Though the County cannot require more off-street parking, developers could provide more than the minimum. Developers often do provide more parking than required if they think that is what the market wants.

- ***Does this interfere with homeowner association (HOA) codes, covenants, and restrictions (CC&Rs)?***

The law allows most existing deed restrictions, homeowner association agreements (HOA), and covenants, conditions, and restrictions (CC&Rs) to remain as they are. However, these agreements are unenforceable if they both (a) prohibit middle housing and (b) were adopted on or after August 8, 2019. New deed restrictions, agreements, and CC&Rs cannot prohibit middle housing.

- ***I'm a homebuilder/contractor: Does this relax the building code?***

No, and – in most cases – no.

The HB 2001 Project in no way relaxes the statewide uniform building code. That said, the law requires the Oregon Department of Consumer and Business Services (DCBS) Building Codes Division, which manages amendments to the building code, to create an alternate approval pathway for internal conversions of houses into two or more dwellings. This would make it easier for a house to be converted into a duplex or triplex. Consult the Oregon Building Codes Division directly with questions on this specific topic.

- ***How can I get involved?***

- **Contact list:**
- **E-Blast:**
- **Spread the word:**
- **Open houses:**
- **Public meetings:**
- **Online:**

Health & Housing

- ***How is housing related to my health?***

Housing is many things: stability, part of a neighborhood or community, and impact residents' health. Housing stability, quality, safety, and affordability can support physical, mental, and behavioral health.

- ***How do code changes create more affordable housing?***

Clackamas County is considering code changes that would incentivize affordable housing in new multi-family developments. They are also updating the code to allow for more housing types, such as duplexes, triplexes, quadplexes (also known as fourplexes), townhouses, and cottage clusters (several small houses centered on a common area such as a lawn or courtyard).

- ***How will this impact me/my family?***

The proposed code changes could provide more housing options to rent or own throughout urban areas of Clackamas County. It could also mean more development occurring throughout the County.

Land Use Housing Strategies

- ***What is LUHS?***

The Planning & Zoning Division has compiled information and data to develop a three-phase strategy to support the development of a more affordable variety of housing in unincorporated Clackamas County.

- ***Why is it needed?***

Housing in Clackamas County is becoming less affordable. This problem is worsened by a shortage in buildable residential land in the urban unincorporated area. Based on estimates in the Clackamas County Regional Housing Needs Analysis (HNA) from September 2019, unincorporated Clackamas County lacks residentially-zoned land for as many as 5,000 housing units needed in the next 20 years, over half of which would be multi-family units.

- ***What's the timeline?***

- The first phase of LUHS started in spring 2020 and will end in 2021, which will look at increased density of housing and parking space minimums.
- The second phase started in fall 2020 and will end in 2022. This phase includes implementing the HB 2001 project which is required under state law and will make more housing types allowed in residential areas. The third and final phase may begin as early as fall of 2021 and continue once Phase I and II are complete.
- The third phase will consider allowing housing on religious-owned properties, consider preserving manufactured dwelling parks and allowing even more housing types in residential areas.

- ***How has the public been engaged in the process?***

Equitable public engagement and involvement are integral to the success of this project and will take place throughout all phases of LUHS. The primary public engagement objectives are to:

- Understand the community's priorities and concerns with regard to potential changes that may take place in their neighborhoods as a result of implementation of these strategies.
- Collaborate with community partners to advance socioeconomic, racial and transportation equity in Clackamas County
- Lay the groundwork for updating policies and regulations to ensure the updates will be responsive to the needs of urban communities in the county.

HB2001: Infrastructure-Based Time Extension Request (IBTER) – *Summary of outreach to urban service providers*

The following email and attached letter were sent on February 12, 2021 to representatives at the following providers of urban sanitary sewer, water and/or stormwater services:

- Clackamas River Water District
- Clean Water Services
- Dunthorpe-Riverdale Sewer District
- Lake Grove Water District
- Oak Lodge Water and Sanitary Sewer District
- Palentine Hill Water District
- Rivergrove Water District
- Sunrise Water Authority
- Water Environment Services – Clackamas County Service District #1 (CCSD #1)

Many providers did not choose to respond; of those that did respond, none indicated that the rate of infill development and timeframe for the analysis for an IBTER would cause service concerns that would warrant an IBTER application. All responses received are attached to this document.

02/12/2021 email:

Hi. Please see the attached letter and request for information related to service provision and the county's implementation of HB2001, the "middle housing" bill. Per HB2001 additional housing types including duplexes, triplexes, quadplexes, townhomes, and cottage clusters must be allowed in the urban unincorporated areas of Clackamas County that are currently zoned for single-family dwellings.

Before we begin our zoning code amendments to comply with HB2001, we are reaching out to our service providers who are responsible for sanitary sewer and water service and surface water management in the urban area. The purpose of the attached request is to understand if there are any subareas that may have sufficient infrastructure for the development of single family homes but would not if the "middle housing" types were developed in those areas.

Please review the attached request and let me know if you have any questions.

*Thank you,
Martha*

*Martha Fritzie, Principal Planner
Clackamas County DTD | Planning & Zoning Division
150 Beavercreek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 7:30am to 6:00pm | Monday – Thursday*



February 11, 2021

(name)
(title)
(agency)
(address)
(email)

RE: Sufficient Service Capacity

Dear (name),

As you may have heard, the Oregon Legislature recently passed House Bill 2001 (HB 2001), commonly called the “middle housing” bill. This Bill requires that Clackamas County allow for the development of duplexes, triplexes, quadplexes, townhomes and cottage clusters in its urban, single-family residential areas. We are currently preparing to amend our Comprehensive Plan and Zoning & Development Ordinance (ZDO) to comply with HB 2001.

As part of this preparation, we are trying to understand if there are any subareas within your service area that do not have sufficient infrastructure to accommodate a 1% to 3% increase in development over your current projections. If there are any such subareas, there may be an opportunity to postpone the County’s implementation of HB 2001 rules for those particular subareas.

To that end, we would appreciate it if you could take the time to answer the following questions regarding the public sewer, water and/or surface water systems under your purview within the unincorporated areas of the county:

1. *Are there subareas within your service area where you are lacking capacity to meet current service needs, or service needs through 2023? If there are such areas, please include a specific description or a map of the area(s) and identify which of the infrastructure systems is deficient.*
2. *Are there subareas within your service area where the infrastructure would only be expected to exceed capacity with the additional impacts from middle housing development pursuant to HB 2001? If there are such areas, please include a specific description or a map of the area(s) and*

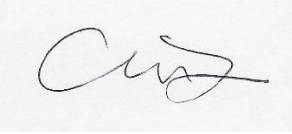
identify which of the infrastructure systems is deficient. Please note that for this analysis,

- a. Infill and redevelopment areas may only assume a 1% increase in the number of dwelling units produced due to middle housing allowances, and
- b. Undeveloped and underdeveloped areas may assume a 3% increase in the number of dwelling units produced due to middle housing allowances.

If any of the above situations exist, please provide the requested information and also let us know who at your agency we would need to work with to obtain documentation of this deficiency in order to be able to determine if a request to postpone implementation of HB2001 is warranted.

Because of the tight timelines provided under HB2001, we are requesting your response by no later than Wednesday March 3rd. Please contact me at (503) 742-4529 or mfritzie@clackamas.us if you have questions about this request. Thank you for taking the time to consider the potential impacts HB 2001 could have on the services you provide.

Sincerely,



Martha Fritzie, Principal Planner
Clackamas County Planning & Zoning Division

Fritzie, Martha

Page 4 of 17

From: Adam Bjornstedt <abjornstedt@crwater.com>
Sent: Monday, March 1, 2021 9:02 AM
To: Fritzie, Martha
Cc: Betty Johnson; Todd Heidgerken; Adam Bjornstedt
Subject: FW: Service capacity and implementation of middle housing bill (HB2001)
Attachments: Service Providers Letter_CRWater.pdf; CRW WSMP Final North- CIP map D_phasing.pdf; CRW WSMP Final South- CIP map D_phasing.pdf

Follow Up Flag: Follow up
Flag Status: Completed

Warning: External email. Be cautious opening attachments and links.

Hello Martha,

On behalf of Clackamas River Water (CRW), I am providing you the requested information regarding the impact of HB2001. CRW serves approximately 47,000 people in unincorporated areas south of Portland, east of Milwaukie, and east/south of Oregon City. We are a special district under ORS 264, providing drinking water to Clackamas County residents within our service area.

The attached maps indicate those areas within our system (north and south of the Clackamas River) that require upgrades in order to meet the projected demands captured in our Water System Master Plan (2019). Our master plan can be accessed at <https://crwater.com/water-system-master-plan/>. On the maps, the red lines represent short term (within next 10 years), while the orange lines are long term (10-20 year) projects, aimed at proposed/potential system upgrades to meet projected demands in the 20-year planning horizon.

While CRW has identified deficient areas in our master planning, our system should be capable of providing water to the growth from "middle housing" infill by 2023, as relates to HB2001. The District's conclusion is that there is no significant impact to our provision of water service by the proposed infill given the likely "smaller scale" infill that this type of growth would bring. However, CRW reserves the right to review specific development requests (through the typical County/city land use processes) and make water provision determinations at that time, to ensure development impacts to the water system can be met.

Please let me know if you have further questions,

Adam M. Bjornstedt, P.E.
Chief Engineer

P: 503.722.9246
C: 503.729.1600
abjornstedt@crwater.com

16770 SE 82nd Drive
Clackamas, OR 97015-2439
www.crwater.com



Note- I can best be reached via email at abjornstedt@crwater.com or cell phone at 503-729-1600.

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From: Betty Johnson <bjohnson@crwater.com>
Sent: Friday, February 12, 2021 3:09 PM
To: Adam Bjornstedt <abjornstedt@crwater.com>
Subject: FW: Service capacity and implementation of middle housing bill (HB2001)



Betty A. Johnson
Engineering Associate

Ph: 503.723.2571 | 16770 SE 82nd Drive
Cell: 503.793.8145 | Clackamas, OR 97015-2439
Fax: 503.722.9259
www.crwater.com

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From: Fritzie, Martha [mailto:MFritzie@clackamas.us]
Sent: Friday, February 12, 2021 10:06 AM
To: theidgerken@crwater.com
Cc: bjohnson@crwater.com
Subject: Service capacity and implementation of middle housing bill (HB2001)

Hi. Please see the attached letter and request for information related to service provision and the county's implementation of HB2001, the "middle housing" bill. Per HB2001 additional housing types including duplexes, triplexes, quadplexes, townhomes, and cottage clusters must be allowed in the urban unincorporated areas of Clackamas County that are currently zoned for single-family dwellings.

Before we begin our zoning code amendments to comply with HB2001, we are reaching out to our service providers who are responsible for sanitary sewer and water service and surface water management in the urban area. The purpose of the attached request is to understand if there are any subareas that may have sufficient infrastructure for the development of single family homes but would not if the "middle housing" types were developed in those areas.

Please review the attached request and let me know if you have any questions.

Thank you,
Martha

Martha Fritzie, Principal Planner
Clackamas County DTD | Planning & Zoning Division
150 Beavercreek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 7:30am to 6:00pm | Monday – Thursday

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For general planning questions, contact our main customer service desk at **503-742-4500** or via email at zoninginfo@clackamas.us. The Development Services lobby is currently **open for limited hours**. Please visit our [webpage](#) for updates on services available online, service hours and other related issues. Thank you.

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NOTE: This message was trained as non-spam. If this is wrong, please correct the training as soon as possible.

[Spam Email](#)
[Phishing Email](#)



DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

DEVELOPMENT SERVICES BUILDING
150 BEAVERCREEK ROAD OREGON CITY, OR 97045

February 11, 2021

Todd Heidgerken
General Manager
Clackamas River Water
16770 SE 82nd Dr.
Clackamas, Oregon 97015
theidgerken@crwater.com

RE: Sufficient Service Capacity

Dear Mr. Heidgerken,

As you may have heard, the Oregon Legislature recently passed House Bill 2001 (HB 2001), commonly called the "middle housing" bill. This Bill requires that Clackamas County allow for the development of duplexes, triplexes, quadplexes, townhomes and cottage clusters in its urban, single-family residential areas. We are currently preparing to amend our Comprehensive Plan and Zoning & Development Ordinance (ZDO) to comply with HB 2001.

As part of this preparation, we are trying to understand if there are any subareas within your service area that do not have sufficient infrastructure to accommodate a 1% to 3% increase in development over your current projections. If there are any such subareas, there may be an opportunity to postpone the County's implementation of HB 2001 rules for those particular subareas.

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2. *Are there subareas within your service area where the infrastructure would only be expected to exceed capacity with the additional impacts from middle housing development pursuant to HB 2001? If there are such*

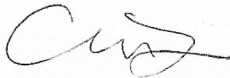
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If any of the above situations exist, please provide the requested information and also let us know who at your agency we would need to work with to obtain documentation of this deficiency in order to be able to determine if a request to postpone implementation of HB2001 is warranted.

Because of the tight timelines provided under HB2001, we are requesting your response by no later than Wednesday March 3rd. Please contact me at (503) 742-4529 or mfritzie@clackamas.us if you have questions about this request. Thank you for taking the time to consider the potential impacts HB 2001 could have on the services you provide.

Sincerely,



Martha Fritzie, Principal Planner
Clackamas County Planning & Zoning Division

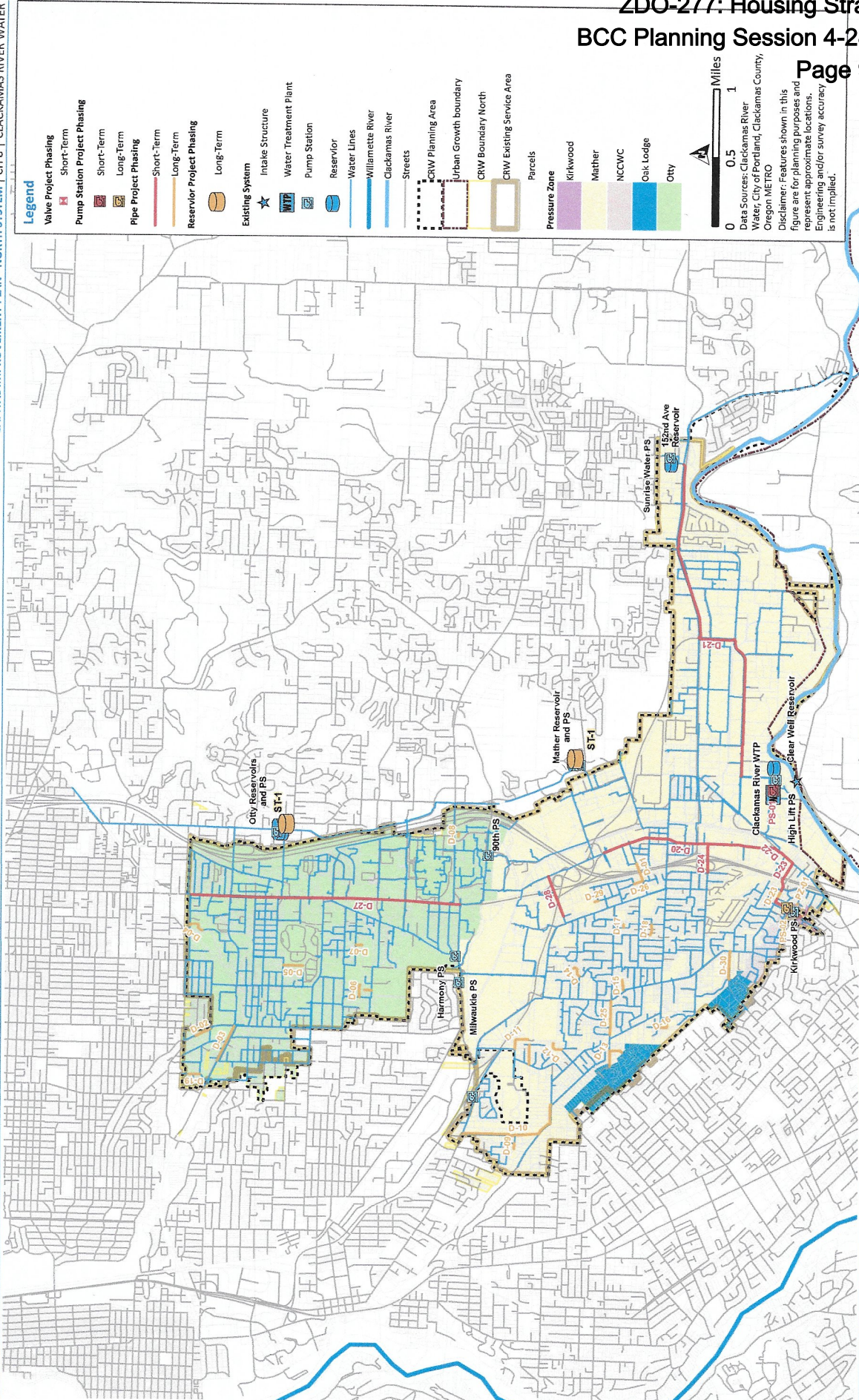


Figure 8.4 CIP Specific Project Phasing - North System

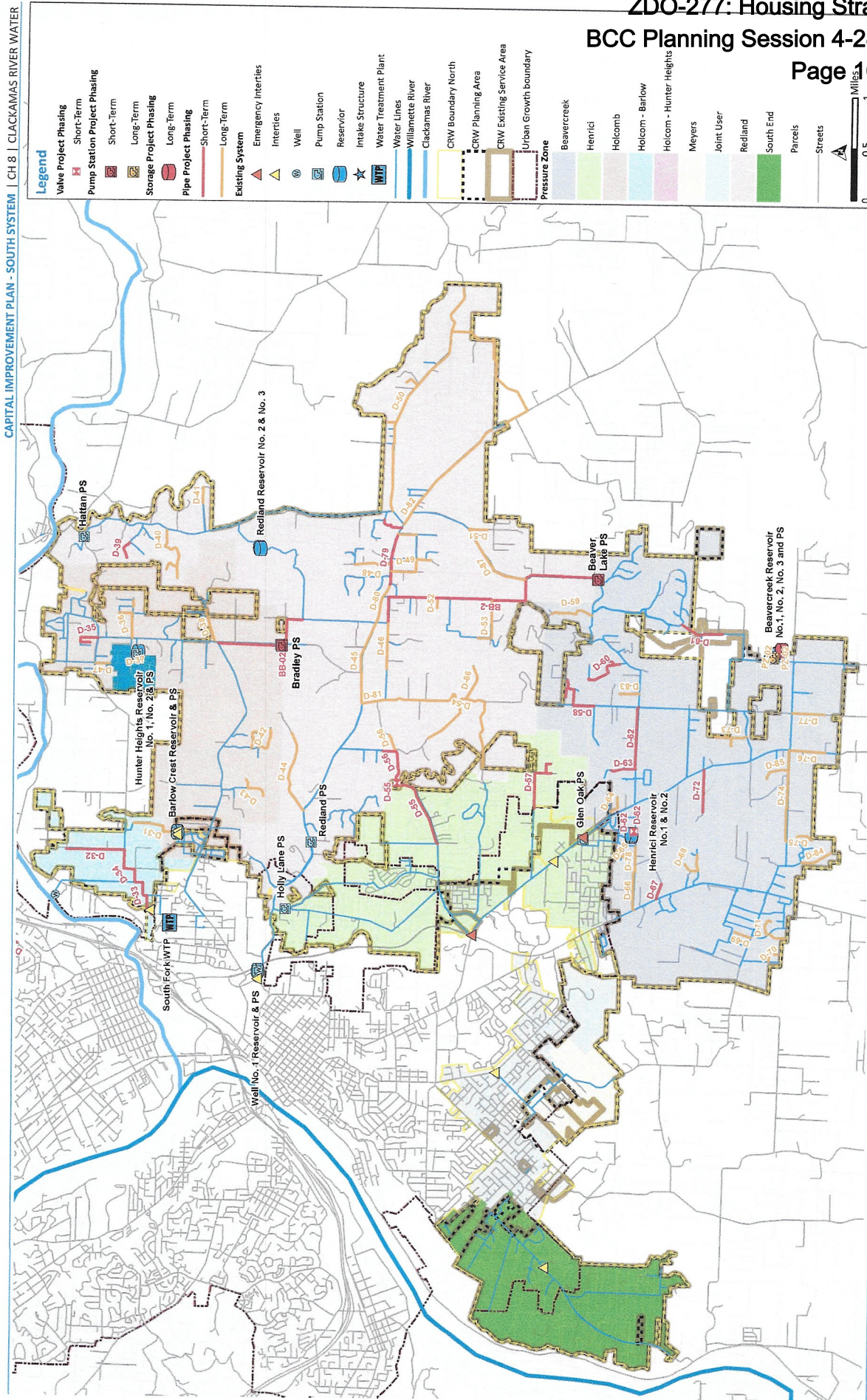


Figure 8.4 CIP Specific Project Phasing - South System

Fritzie, Martha

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From: Storey, Chris
Sent: Thursday, March 11, 2021 5:58 PM
To: Fritzie, Martha
Cc: Geist, Gregory
Subject: RE: Service capacity and implementation of middle housing bill (HB2001)

Martha,

Sorry for the delay in getting back to you, several events have pulled our attention away from normal business. In response to the questions posed in your letter, WES is unaware of any subareas where we anticipate experiencing a lack of capacity within our current jurisdictional boundaries. I will note a caveat that we make an evaluation prior to annexing new territory of whether or not that will have an impact on our systems. Our more remote service areas of Hoodland, Boring, and Fischer's Forest Park are sized for the current service boundaries and substantial new development of any type (middle housing or single family, or commercial, I will note) could have a material impact on those facilities' ability to provide effective treatment.

That being noted, WES has no intention of seeking an infrastructure-based time extension with respect to the requirements of HB 2001. If you have any questions, please let me know. Thanks.

Regards,

Chris

Chris Storey

WES Assistant Director
150 Beaver Creek Road #430
Oregon City, OR 97045
Phone: 503-742-4543
chrissto@clackamas.us



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*Please take a few minutes to tell us
about the service you have received.*

<https://www.clackamas.us/wes/customer>

From: Fritzie, Martha <MFritzie@clackamas.us>
Sent: Friday, February 12, 2021 10:27 AM
To: Geist, Gregory <GGeist@clackamas.us>

Cc: Storey, Chris <chrissto@clackamas.us>; Carr, Erik <ECarr@clackamas.us> ZDO-277: Housing Strategies

Subject: Service capacity and implementation of middle housing bill (HB2001) BCC Planning Session 4-28-2021

Hi. Please see the attached letter and request for information related to service provision and the county's implementation of HB2001, the "middle housing" bill. Per HB2001 additional housing types including duplexes, triplexes, quadplexes, townhomes, and cottage clusters must be allowed in the urban unincorporated areas of Clackamas County that are currently zoned for single-family dwellings.

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Please review the attached request and let me know if you have any questions.

Thank you,
Martha

Martha Fritzie, Principal Planner
Clackamas County DTD | Planning & Zoning Division
150 Beaver Creek Road | Oregon City, OR 97045
(503) 742-4529
Office hours 7:30am to 6:00pm | Monday – Thursday

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Fritzie, Martha

Page 13 of 17

From: Elle Allan <AllanE@CleanWaterServices.org>
Sent: Tuesday, March 16, 2021 3:25 PM
To: Fritzie, Martha
Cc: Andy Braun; Chris Faulkner
Subject: RE: Service capacity and implementation of middle housing bill (HB2001)

Follow Up Flag: Follow up
Flag Status: Completed

Warning: External email. Be cautious opening attachments and links.

Hi Martha,

Thanks for reaching out about this, and I'm sorry I haven't respond sooner! This slipped through the cracks and I was just reminded of it!

We are generally not concerned with an increase in density of 1-3% due to re-zoning. We expect that we'll be able to respond to increased flows through our standard development/redevelopment review and permitting process.

I've copied Andy Braun and Chris Faulkner on this email. Either of them are a good point of contact if you have follow-up questions related to the implementation of HB2001.

Thank you,

Elle Allan, PE | Development Services Program Manager
 Clean Water Services | Planning and Development Services
 2550 SW Hillsboro Hwy | Hillsboro OR 97123
 o 503.681.3650 | f 503.681.4439
[engage permits](#) | [news](#) | [facebook](#) | [twitter](#)

From: Fritzie, Martha <MFritzie@clackamas.us>
Sent: Friday, February 12, 2021 10:18 AM
To: Elle Allan <AllanE@CleanWaterServices.org>
Subject: Service capacity and implementation of middle housing bill (HB2001)

Hi. Please see the attached letter and request for information related to service provision and the county's implementation of HB2001, the "middle housing" bill. Per HB2001 additional housing types including duplexes, triplexes, quadplexes, townhomes, and cottage clusters must be allowed in the urban unincorporated areas of Clackamas County that are currently zoned for single-family dwellings.

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Martha

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[Spam Email](#)
[Phishing Email](#)

Fritzie, Martha

Page 15 of 17

From: Oak Lodge Permits <permits@olwsd.org>
Sent: Monday, March 22, 2021 3:56 PM
To: Fritzie, Martha
Cc: Sarah Jo Chaplen
Subject: RE: Service capacity and implementation of middle housing bill (HB2001)

Hello Martha,

Thank you for providing the estimated density increase of 1-3%. That will help for Oak Lodge's utility Master Plan efforts and we'll incorporate this into updates to stay ahead of the curve.

An infill density increase of that range will not effect Oak Lodge's ability to provide our services.

~Markus



Markus Mead, AICP, CESCL * Development Review Specialist *

Oak Lodge Water Services District * **Direct: 503-353-4205**

Email: Markus@OLWSD.org * Mailing Address: Engineering Department 14611 SE River Rd., Oak Grove, OR 97267

Webpage: <http://www.oaklodgewaterservices.org/pe/page/permits>

<http://www.oaklodgewaterservices.org/documents>

Work Schedule: 9a-5p, alternating Fridays out-of-office.

From: Fritzie, Martha <MFritzie@clackamas.us>
Sent: Wednesday, March 17, 2021 12:56 PM
To: Markus Mead <markus@olwsd.org>
Cc: Sarah Jo Chaplen <sarahjo@olwsd.org>
Subject: RE: Service capacity and implementation of middle housing bill (HB2001)

Hi Marcus. I am in the process putting together some information about HB2001 and infrastructure and have not heard back from Oak Lodge regarding the letter that was sent over last month. What I am generally hearing from those service providers who have responded is that the increase in density of 1-3% due to the addition of middle housing types is not causing service concerns and that they expect to be able to respond to any increased flows through the standard development/redevelopment review and permitting process. If this is the case also for Oak Lodge, please let me know. A simple email response is sufficient. If not, please send more detailed answers to the questions that were asked in the letter so I can understand where your concerns lie.

I am happy to answer any questions you may have – you can reach me at the number below if you want to talk rather than email.

Thanks,
Martha

 Martha Fritzie, Principal Planner
 Clackamas County DTD | Planning & Zoning Division
 150 Beaver Creek Road | Oregon City, OR 97045
 (503) 742-4529

Office hours 7:30am to 6:00pm | Monday – Thursday

ZDO-277: Housing Strategies
BCC Planning Session 4-28-2021

Due to COVID-19, I am working remotely and will do my best to respond in a timely manner. I appreciate your understanding during this challenging time.

For general planning questions, contact our main customer service desk at **503-742-4500** or via email at zoninginfo@clackamas.us. The Development Services lobby is currently **open for limited hours**. Please visit our [webpage](#) for updates on services available online, service hours and other related issues. Thank you.

The Clackamas County Department of Transportation and Development is dedicated to providing excellent customer service. Please help us to serve you better by giving us your [feedback](#). We appreciate your comments and will use them to evaluate and improve the quality of our public service.

From: Markus Mead <markus@olwsd.org>
Sent: Tuesday, February 16, 2021 5:06 PM
To: Fritzie, Martha <MFritzie@clackamas.us>
Subject: Re: Service capacity and implementation of middle housing bill (HB2001)

Warning: External email. Be cautious opening attachments and links.

Hello Martha,

Thank you for the letter. I received it and I'm coordinating internally for a response. I'll have something to you soon.

I'm glad the County is working on this HB implimentation.

~Markus

From: Fritzie, Martha <MFritzie@clackamas.us>
Sent: Friday, February 12, 2021 10:15 AM
To: Markus Mead <markus@olwsd.org>
Subject: FW: Service capacity and implementation of middle housing bill (HB2001)

Markus – Please see below. I meant to cc you on this email and seem to have gotten your email wrong.

My apologies,
Martha

Martha Fritzie, Principal Planner
Clackamas County DTD | Planning & Zoning Division
150 Beaver Creek Road | Oregon City, OR 97045
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From: Fritzie, Martha
Sent: Friday, February 12, 2021 10:04 AM
To: 'sarahjo@olwsd.org' <sarahjo@olwsd.org>
Cc: 'marcus@olwsd.org' <marcus@olwsd.org>
Subject: Service capacity and implementation of middle housing bill (HB2001)

Hi. Please see the attached letter and request for information related to service provision and the county's implementation of HB2001, the "middle housing" bill. Per HB2001 additional housing types including duplexes, triplexes, quadplexes, townhomes, and cottage clusters must be allowed in the urban unincorporated areas of Clackamas County that are currently zoned for single-family dwellings.

Before we begin our zoning code amendments to comply with HB2001, we are reaching out to our service providers who are responsible for sanitary sewer and water service and surface water management in the urban area. The purpose of the attached request is to understand if there are any subareas that may have sufficient infrastructure for the development of single family homes but would not if the "middle housing" types were developed in those areas.

Please review the attached request and let me know if you have any questions.

Thank you,
Martha

Martha Fritzie, Principal Planner
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[Phishing Email](#)